CENTRAL STATISTICAL OFFICE

Economic Trends

ARTICLES

UK balance of payments in the third quarter 1976

Effects of taxes and benefits on household income 1975

Economic prospects to end 1977

No 278
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Release dates of economic statistics to be published in January 1977

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in January. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

Publication date	Series	Method of release	Source
January 1977			
Wed 5	London clearing banks monthly statement (mid-December)	PN	Ctte LCB
	Capital issues and redemptions (December)	PN	Bank of England
	UK banks' eligible liabilities reserve assets, reserve ratios and special deposits (mid-December)	PN	Bank of England
	UK official reserves (December)	PN	HM Treasury
	Investment intentions of the manufacturing, distributive and service industries (1977 and 1978)	PN	D of Industry
Thurs 6	Unemployment (November-final)	Gazette	D of Employment
	Employment in production industries (October)	Gazette	D of Employment
	Overtime and short-time working in manufacturing industries (October)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (November)	Gazette	D of Employment
Mon 10	CBI Industrial Trends Enquiry (December)	PN	CBI
	Turnover of the catering trades (November)	PN	D of Industry
	Wholesale prices index numbers (December-provisional)	PN	D of Industry
Tues 11	Hire purchase and other instalment credit business (November)	PN	D of Industry
	Retail sales (November-final)	PN	D of Industry
	Provisional figures of vehicle production and estimates of new car registrations (December-provisional)	PN	D of Industry
	Personal income, expenditure and savings (3rd qtr);	PN	CSO
	Gross domestic product (3rd qtr-revised)	PN	CSO
Wed 12	Central government financial transactions (including borrowing requirement) (December)	PN	HM Treasury
	Housing starts and completions (November)	PN	D of the Environment
	House renovation grants approved (November)	PN	D of the Environment
Fri 14	Usable steel production (December)	PN	BSC/BISPA
	Building societies receipts and loans (December)	PN	BSA
Mon 17	UK banks' assets and liabilities and the money stock (mid-December)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid-December)	PN	Bank of England
	Retail sales (December-provisional)	PN	D of Industry
	Balance of payments current account and overseas trade figures (December)	PN	D of Trade
Tues 18	Index of industrial production (November)	PN	CSO
Wed 19	Basic rate of wages and normal weekly hours (December)	PN	D of Employment
	Monthly index of average earnings (November)	PN	D of Employment
Thurs 20	Consumers' expenditure (1st preliminary estimate) (4th qtr)	PN	CSO
	Appropriation account of industrial and commercial companies (3rd qtr)	PN	CSO
	Financial accounts of industrial and commercial companies and personal sectors (3rd qtr)	PN	CSO
	Net acquisition of financial assets – analysis by sector (3rd qtr)	PN	CSO
Fri 21	Sales and orders in the engineering industries (October)	T and I	D of Industry
	New vehicle registrations (December)	PN	D of Transport
	Retail prices index (December)	PN	D of Employment
Sun 23	National savings monthly progress report (December)	PN	National Savings Ctte
Tues 25	Unemployment (January-provisional)	PN	D of Employment
	Unfilled vacancies (January-provisional)	PN	D of Employment
Wed 26	Construction – new orders (November)	PN	D of the Environment
Thurs 27	Car and commercial vehicle production (December-final)	PN	D of Industry
	Energy Trends	PN	D of Energy
Fri 28	Bricks and cement production (December)	PN	D of the Environment
Mon 31	Building society house prices and mortgage advances (4th qtr)	PN	D of the Environment

PN—*Press Notice* T and I—*Trade and Industry*

ECONOMIC TRENDS
No 276 October 1976

Corrections

Page 78 Table 1

Expenditure on the gross domestic product: at current prices

Column 9	*Imports of goods and services*		
1975		Delete 27,248	Insert 28,248
Final expenditure on goods and services at market prices			
Column 3	*Total: seasonally adjusted*		
1969	*1*	Delete 13,687	Insert 13,683
	2	Delete 13,847	Insert 13,857
	3	Delete 14,116	Insert 14,115
	4	Delete 14,450	Insert 14,445
1971	*2*	Delete 17,022	Insert 17,023
	3	Delete 17,534	Insert 17,533

Page 82 Table 2 (*continued*)

Factor incomes in the gross national product (seasonally adjusted)

Column 1	*Gross national product*		
1969	*3*	Delete 10,053	Insert 10,052
	4	Delete 10,257	Insert 10,253

Page 84 Table 4

Personal income, expenditure and saving

Column 1	*Total personal income before tax*		
1967	*4*	Delete 8,676	Insert 8,686
1968	*1*	Delete 8,931	Insert 8,934
	2	Delete 9,025	Insert 9,025
	3	Delete 9,131	Insert 9,138
	4	Delete 9,365	Insert 9,366
Column 6	*Other personal income*		
1967	*2*	Delete 1,732	Insert 1,723
Column 13	*Personal disposable income at 1970 prices*		
1973	*1*	Delete 9,751	Insert 9,750

Page 85 Table 4 (*continued*)

Personal income, expenditure and savings: seasonally adjusted

Column 2	*Wages and salaries*		
1970		Delete 26,929	Insert 26,994
Column 13	*Personal disposable income at 1970 prices*		
1971	*1*	Delete 8,706	Insert 8,714
	2	Delete 8,769	Insert 8,790
	3	Delete 8,965	Insert 8,950
	4	Delete 9,105	Insert 9,091
1972	*1*	Delete 9,114	Insert 9,143
	2	Delete 9,790	Insert 9,730
	3	Delete 9,550	Insert 9,572
	4	Delete 9,091	Insert 9,866

Page 92 Table 8

Appropriation account of public corporations

Column 3	*Rent and non-trading income*		
1975	*2*	Delete 119	Insert 109

Page 101 Table 10 (*continued*)

Current account of local authorities: seasonally adjusted

Column 9	*Balance: current surplus*		
1966	*2*	Delete 102	Insert 103

Page 106 Table 11 (*continued*)

International transactions: seasonally adjusted

Column 2	*Total debits*		
1966	*1*	Delete 2,222	Insert 2,225
	2	Delete 2,174	Insert 2,173
	3	Delete 2,236	Insert 2,234

Page 107 Table 12

Summary capital account
Receipts

Column 2	*Savings total*		
1968	*4*	Delete 2,288	Insert 2,268
Column 11	*Residual error*		
1969		Delete —125	Insert —115
1970		Delete 91	Insert —91

Page 109 Table 12 (*continued*)

Summary capital account
Receipts: seasonally adjusted

Column 1	*Total*		
1972	*2*	Delete 3,358	Insert 3,385
Saving			
Column 2	*Total*		
1970		Delete 11,882	Insert 11,881
1968	*3*	Delete 2,234	Insert 2,231
1972	*2*	Delete 3,479	Insert 3,506
Column 4	*Companies*		
1969		Delete 3,584	Insert 3,364
Column 6	*Public authorities*		
1970		Delete 4,140	Insert 4,139
1976	*1*	Delete 346	Insert —346
Capital transfers (net)			
Column 8	*Companies*		
1976	*2*	Delete 373	Insert 73

Page 110 Table 12 (*continued*)

Summary capital account
Payments: seasonally adjusted

Gross capital formation

Column 3	*Personal sector*		
1976 *2*		Delete 1,076	Insert 1,075
Column 4	*Companies*		
1967		Delete 3,050	Insert 3,051
1967 *3*		Delete 712	Insert 713
1976 *2*		Delete 3,179	Insert 3,096
Column 6	*Public authorities*		
1967		Delete 1,991	Insert 1,990
1967 *3*		Delete 496	Insert 495

Net acquisition of financial assets

Column 8	*Personal sector*		
1974 *1*		Delete 971	Insert 972
3		Delete 1,458	Insert 1,457
1976 *2*		Delete 1,549	Insert 1,550
Column 9	*Companies*		
1967		Delete 73	Insert 72
1969		Delete —525	Insert —545
1975		Delete —585	Insert —589
1967 *3*		Delete —49	Insert —50
1975 *2*		Delete —214	Insert —218
1976 *1*		Delete 167	Insert 168
2		Delete 343	Insert 426
Column 11	*Public authorities*		
1967		Delete —600	Insert —599
1970		Delete 1,542	Insert 1,541
1967 *1*		Delete —171	Insert —71
3		Delete —131	Insert —130
4		Delete —220	Insert —294
1971 *4*		Delete 189	Insert 89
1973 *1*		Delete —520	Insert —510

Page 113 Table 13 (*continued*)

Consumers expenditure: revalued at 1970 prices and seasonally adjusted

Column 1	*Total*		
1976 *2*		Delete 8,801	Insert 8,789

Page 116 Table 14 (*continued*)

Gross domestic fixed capital formation by sector and by type of asset

Public sector			
Column 3	*Total*		
1972 *3*			Insert 969

Page 118 Table 15 (*continued*)

Gross domestic fixed capital formation by industry group: revalued at 1970 prices

Insert **and seasonally adjusted** after title

Page 119 Table 15 (*continued*)

Gross domestic fixed capital formation by industry group: revalued at 1970 prices and seasonally adjusted

Delete **and seasonally adjusted** from title

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Economic Trends

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Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a Calendar of current economic events. It is important to note that data included in this section may not be wholly consistent with other series shown in the publication which have gone to press earlier.
- The main section shows the movement of the key economic indicators over about the last 5 years. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base date for convenience of comparison.
- A further chart shows the movements of 4 composite indices over 19 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on national accounts appear in the January, April, July, October issues and on balance of payments in the March, June, September, December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other government publications, news of developments in economic statistics and brief synopses of new publications.

Government Statistical Service

A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned. The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

Enquiries about orders and subscriptions should be made to the publisher, Her Majesty's Stationery Office, PO Box 569, London SE1 9NH. Telephone 01-928 6977.

Notes on tables

1. This issue contains information available to the CSO on 17 December in respect of the main tables and charts. The 'Latest developments' section may contain later information.

2. Statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

Corrections to October 1976 issue

A correction slip is included with this issue on a loose sheet which can be transferred to the October issue.

New series

In this issue the table on page 58 'Appropriation account of companies' has been replaced by a table on the appropriation account of industrial and commercial companies.

Symbols used:

.. not available or not meaningful
– nil or less than half the final digit shown
§ series for which measures of variability are given on page 68
† indicates that the series has been revised since last issue; the period marked is the earliest in the table to have been revised

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Latest developments in the economy[1]

Data available at 21 December 1976

Output

The latest estimates of gross domestic product suggest that there was little change in the level of economic activity between the second and third quarters of this year, and that there has been no growth in output during 1976, following the improvement in the last quarter of 1975. The latest estimates of industrial production suggest that in recent months there has been little change in the underlying level. Steel production in November reached its highest level for twenty months; it was 7½ per cent higher than in October and nearly 22 per cent higher than a year earlier. Car production rose slightly in November and was 6 per cent above the monthly average for 1975. In the latest three months, however, the monthly average was virtually unchanged from the average of the previous three months.

Housebuilding

In the three months ending October, housing starts in Great Britain were 11 per cent down on the previous three months and 10 per cent lower than a year earlier; total completions were up 2 per cent and down 2 per cent respectively over the two periods.

Consumers' expenditure

Latest estimates suggest that the volume of consumers' expenditure rose by 1 per cent between the second and third quarters of 1976. There were rises in expenditure on food, alcoholic drink, clothing and footwear, radio and electrical goods and in other areas of retail sales, partially offset by a fall in expenditure on the running costs of motor vehicles. The early estimate of retail sales in November suggests some recovery from the fall in October, back to about the average monthly level of the third quarter. New car registrations rose again in November and the average monthly level in the latest three months was 5 per cent higher than in the previous three months.

Capital expenditure

The volume of fixed investment rose by around 4 per cent in the third quarter, reflecting mainly a sharp increase in North Sea oil investment. Manufacturing investment increased by about 2½ per cent, while investment in the transport and communication industries showed a rise of nearly 6 per cent. There was a decline in investment in retailing.

Stocks

There was a small fall in the volume of stockbuilding of £27 million in the third quarter compared with a fall of £118 million in the previous quarter. A continuing decline in the level of stocks held by the construction industry was the principal factor behind the third quarter fall; manufacturers and retailers both increased their level of stocks marginally, after substantial falls in the second quarter.

Companies

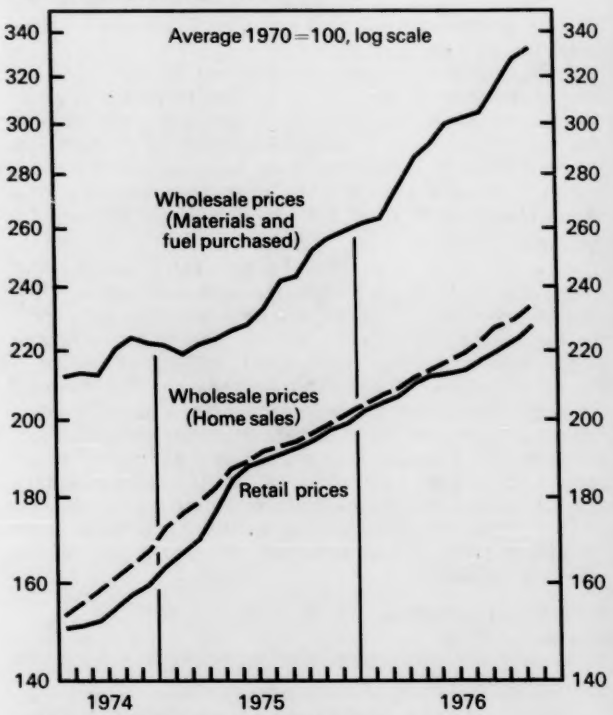
Gross trading profits of companies before deducting stock appreciation rose by 12 per cent between the latest six months period ending in September and the previous six months ending in March; after deducting stock appreciation there was a rise of about 1 per cent.

The Department of Industry's survey of large companies showed a rise in their liquidity in the third quarter; net current assets increased by £156 million following a fall of £261 million in the previous quarter. Apart from that fall in the second quarter, there has now been an unbroken rise in net current assets since the beginning of 1975.

Wage rates and earnings

The index of basic weekly wage rates (not seasonally adjusted) rose by 0·5 per cent in November, mainly due to increases for certain workers employed in the baking and retail food trades, and local authority manual workers. The year-on-year increases in the index were 17·1 per cent in October and 12·8 per cent in November. The absence of any change in national rates in engineering this November accounts for nearly half of the reduction in the percentages.

Again this month, no index of average earnings has been compiled because of industrial action by some Department of Employment staff.



Prices (not seasonally adjusted)

The index of retail prices for November was 165·8 (January 1974 = 100). It had increased by 1·4 per cent since October and by 15·0 per cent since November 1975. The number of quotations used in compiling the November 1976 index was however less than normal because of industrial action by some employees of the Department of Employment.

Wholesale prices index figures for November suggest that the prices of home sales of manufactured products rose by 1¾ per cent over the previous month. The rate of inflation measured over a 12-month period rose again, by ¾ per cent to 17½ per cent. The prices of materials and fuel purchased rose by 1¼ per cent in November, largely due to higher prices for imported commodities; exchange rate movements had little effect.

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Unemployment and vacancies

Owing to industrial action by some employees of the Department of Employment, it has not been possible to complete the full count of unemployment which was due to be made on December 9. However, returns or estimates have been received from just over half the country. It has, therefore, been possible to produce an estimate of the national total though this estimate is subject to a margin of error of perhaps 20,000 either way.

The number of unemployed (Great Britain) excluding school leavers and adult students was estimated at 1,277,000 in December (5·5 per cent of all employees). This represents an increase of 24,000 since October, the last month for which an official figure was available.

No new information is available on the number of vacancies notified to employment offices.

Trade and balance of payments

In the three months ended November, the deficit on visible trade was £1,243 million compared with £1,163 million in the previous three months. The volume of exports rose by 3 per cent in the latest three months while the volume of imports rose by 4 per cent. The terms of trade index fell by 1 per cent.

In November the current account was estimated to have been in deficit by £310 million. The deficit on trade in goods was £510 million; this included a very sharp rise of £146 million in the value of imported crude oil from a low October level. The balance on services and other current transactions was estimated to have been running at a monthly surplus of about £200 million.

Money supply

The broader version of money stock (M_3) rose by about ½ per cent in November while the narrower version (M_1) rose by 1 per cent. During the seven months since mid-April, M_3 has risen by 9¼ per cent. Sterling lending to the private sector rose again by about £440 million, following a rise of some £660 million in October. Much of the increased lending in this period seems to have gone to manufacturing industry but the extent of the increase may in part reflect attempts to forestall the imposition of further credit restrictions. (The reintroduction of the supplementary deposit scheme was announced immediately after the end of this period). Sterling lending to the public sector rose by about £100 million following the sharp fall in the previous month.

Economic events

November

23 Cabinet discussions on the terms of the IMF $3·9 billion loan application began.
The National Executive Committee of the miners' union decided to hold a members' ballot on industrial action in support of their claim for a lower retirement age.

24 The Queen's speech at the opening of Parliament indicated that the Devolution Bill would dominate the new session.
The Prime Minister warned of a continuing rise in unemployment and the need for a further period of wage restraint in 1977/78.

25 The latest economic forecast by the National Institute of Economic and Social Research predicted a great improvement in the 1977 balance of payments current account.
The Bank of England is to sponsor an enquiry into the structure of the UK clothing industry, with special reference to its financial resources.

28 The US Treasury Secretary, Mr William Simon, visited Britain for discussions with the Chancellors of the Exchequer and Duchy of Lancaster on the IMF loan and the problem of the sterling balances. (The sterling reserves of overseas countries and international organisations held in the UK.)
The Australian dollar was devalued by 17·5 per cent.

29 The Chancellor confirmed in the House of Commons that legislation on a wealth tax would not be introduced in the current session.
New Zealand devalued its dollar by 7 per cent following the Australian devaluation.

30 In the debate on the Queen's speech, the Chancellor hinted at cuts in direct taxation in the spring budget.
A two day summit meeting of EEC leaders was held at the Hague.

December

1 After a meeting with the Prime Minister, the TUC said that the future of the social contract was dependent on the economic measures taken to secure the IMF loan, but indicated that they would be prepared to accept a third year of voluntary pay restraint

3 In a speech in Leeds, the Chancellor said that income tax was too high and that he hoped to be able to lower direct taxation.

6 The Government is to reconsider restoring proposals on a wealth tax to this Parliamentary session.
In a written answer, the Chief Secretary to the Treasury stressed the toughness of the cash limits on public expenditure.

7 The Chancellor, speaking to the Foreign Press Association, said he hoped to announce soon a decision in principle on some kind of 'safety net' for the sterling balances to protect the exchange rate against speculation.

8 North Sea oil and gas reserves could be worth more than £300 billion at current energy prices, according to latest official estimates.
The Select Committee on Nationalised Industries published a report on the Bank of England (House of Commons paper 672). Among other things, it suggested that fringe benefits to staff should be cut.
Australia cut 2 per cent off its devaluation of 17·5 per cent announced on 28 November.

9 It was announced that the forthcoming package of economic measures would be made on 15 December.
The $1·6 billion drawings on the standby credit arranged in June were repaid from the reserves.

10 The squeeze on bank lending was eased by the decision to postpone payment of £370 million of special deposits, due on 14 December, until 28 January.

11 The Chancellor said that some of the decisions he would be announcing would be unpopular, but that the Government was 'determined to get it right this time.'

12 The TUC launched a campaign for higher social security benefits.

13 The IMF team returned to Washington after nearly 6 weeks in London.

14 A trade deficit £156 million higher than in October was partly caused by the large increase in oil imports in advance of the proposed price rise. The pound, having risen to $1·6925, fell to $1·6750 (effective depreciation 44·6 per cent) after the trade figures were announced.
President-Elect Jimmy Carter announced that his Secretary to the Treasury would be Mr Michael Blumenthal.

15 The Chancellor announced his latest economic measures:
- Public spending programmes cut by £1 billion in 1977-78 and by £1·5 billion in 1978-79.
- Public sector borrowing requirement: aim to reduce it by £2 billion to £8·7 billion in 1977-78.
- IMF loan of $3·9 billion expected to be agreed early in January; $1·5 billion available immediately; over $1 billion more before the end of 1977. In the meantime, a $500 million swap facility offered by the US, and a 350 million standby credit by Germany. IMF letter of application published.
- Government holding of BP shares to be reduced from 68 per cent to 51 per cent of total. Sale will cut PSBR by £500 million in 1977-78.
- Duties on drink and tobacco to rise by 10 per cent.
- Industry – regional employment premium to be withdrawn. More money for National Enterprise Board and selective investment schemes.
- £120 million more to be spent on schemes to cut unemployment next year.

The Chancellor said he believed it would be possible to reach an agreement on the sterling balances 'before long'. He also hoped that income tax might be reduced later if a suitable agreement on wages could be reached.
The pound and shares fell reflecting market disappointment over the Chancellor's measures.
The miners' ballot resulted in a 78 per cent majority in favour of taking industrial action if necessary on their retirement age claim.
The leaders of the OPEC countries met in Qatar to decide the new oil price.

16 The Devolution Bill got its second reading in Parliament. Referenda will be held in Scotland and Wales next autumn.

17 Minimum lending rate was cut by ½ per cent to 14½ per cent.

20 The Department of Employment announced that nearly 4 million workers had settled within the limits of the second stage of pay policy since the end of July.

Selected monthly indicators[1]

	Seasonally adjusted						Unadjusted		Seasonally adjusted			
	1971 =100	Thousands	1970 =100	Thousands		Jan. 1970 =100	1970 =100	Jan. 1974 =100	£ million			
	Volume of retail sales (GB)[2,3] §	New registrations of cars (GB) §	Index of industrial production[4] §	Unemployment[5] (GB) §	Vacancies[6] (GB) §	Average earnings (all employees) (GB) §	Wholesale prices of materials and fuel[7]	General index of retail prices (all items)	Balance of payments current account: Exports (f.o.b.) §	Imports (f.o.b.) §	Current balance	Money stock M_3[8]
1975 J	112·8[3]	117·2	105·3†	682·0[9]	.. [10]	206·2	221·1	119·9	1,508	1,914		36,060
F	111·6	109·0	105·2	707·7	194·4	209·9	218·8	121·9	1,481	1,814	—449†	36,470
M	109·5	97·1	103·5	727·9	190·7	212·8	221·9	124·3	1,542	1,655		36,760
A	120·0	95·1	101·5	763·9	177·6	215·4	222·9	129·1	1,379	1,729		36,850
M	103·7	94·6	99·8	813·8	160·3	217·7	226·2	134·5	1,611	1,693	—357	37,360
J	104·1	90·8	99·7	856·0	145·9	221·2	227·7	137·1	1,489	1,738		37,350 / 37,450
J	105·4	91·1	100·0	929·5	131·1	231·6	233·2	138·5	1,566	1,943		37,720
A	104·8	98·4	98·4	956·0	133·2	234·0	241·4	139·3	1,485	1,886	—555	38,330
S	106·1	120·2	100·3	991·6	128·5	237·9	243·2	140·5	1,581	1,792		38,540
O	104·8	85·3	100·6	1,043·5	116·5	239·5	252·2	142·5	1,729	1,946		39,010
N	105·2	81·4	100·7	1,087·2	109·4	243·5	256·7	144·2	1,637	1,917	—295	38,780
D	107·0	86·6	99·8	1,128·8	107·8	248·6	259·5	146·0	1,760	1,945		38,750
1976 J	109·8	114·8	101·2	1,163·5	108·8	248·8	261·5	147·9	1,771†	1,966†		39,140
F	107·1	101·4	102·5	1,184·8	111·2	249·7	263·9	149·8	1,752	2,007	— 33	39,710
M	105·5	101·4	102·0	1,178·6	119·9	254·0	274·2	150·6	1,896	1,924		39,920
A	108·5	118·1	102·1	1,185·7	121·8	253·8	286·3	153·5	1,922	2,226		40,450
M	105·7	112·2	104·3	1,200·4	118·4	259·8	292·0	155·2	2,009	2,373	—533	40,680
J	106·1	87·5	100·0	1,205·0	112·0	258·3	299·6	156·0	2,061	2,398		40,910
J	108·3	87·0	101·7	1,242·8	115·4	263·9	302·0	156·3	1,949	2,477		41,730
A	108·9	115·5	100·8	1,256·5	125·7	267·7[1]	304·0	158·5	2,039	2,337	—637†	42,404†
S	108·8	88·2	102·4	1,265·0	126·7	.. [10]	314·4†	160·6	2,133	2,513		43,430
O	107·3†	103·5†	102·5	1,253·1	124·3	.. [10]	327·8[11]	163·5	2,222	2,576	—154	43,950
N	109·0[11]	114·0[11]		.. [10]	.. [10]		331·9[11]	165·8	2,226	2,736	—310	44,120
D				1,277 [12]								
	Percentage change, latest three months on previous three months											
1976 J	*—0·2*	*—10·7*	*+0·3†*	*+ 2·8*	*— 2·0*	*+3·2*	*+ 8·4*	*+ 3·0*	*+ 8·1†*	*+17·7†*	..	*+ 2·7*
A	*+1·0*	*—12·6*	*—1·9*	*+ 3·9*	*— 1·9*	*+2·9*	*+ 6·2*	*+ 2·5*	*+ 3·8*	*+10·6*	..	*+ 3·3*
S	*+1·9*	*— 8·5*	*—0·5*	*+ 4·8*	*+ 4·4*	.. [10]	*+ 6·0†*	*+ 2·3*	*+ 2·2*	*+ 4·7*	..	*+ 4·6†*
O	*+1·6*	*+ 7·1†*	*—0·1*	*+ 3·5*	*+ 8·9*	.. [10]	*+ 5·9[11]*	*+ 3·2*	*+ 6·2*	*+ 2·5*	..	*+ 5·3*
N	*+0·7[11]*	*+ 5·4[11]*		.. [10]	.. [10]		*7·6[11]*		*+ 8·8*	*+ 8·5*	..	*+ 5·1*
	Percentage change, latest three months on corresponding period of previous year											
1976 J	*+2·2*	*+ 3·7*	*+2·2†*	*+40·4*	*—20·9*	*+16·6*	*+30·1*	*+14·0*	*+29·0†*	*+34·9†*	..	*+ 9·6*
A	*+2·8*	*+ 3·5*	*+1·5*	*+35·1*	*—13·9*	*+15·0[11]*	*+28·9*	*+13·5*	*+33·2*	*+29·6*	..	*+10·2*
S	*+3·0*	*— 6·1*	*+2·1*	*+30·9*	*— 6·4*	.. [10]	*+28·2*	*+13·7*	*+32·2*	*+30·4*	..	*+11·4†*
O	*+2·9†*	*+ 1·1†*	*+ 2·1*	*+26·2*	*— 0·4*	.. [10]	*+28·4[11]†*	*+14·3*	*+33·4*	*+32·0*	..	*+12·0*
N	*+2·8[11]*	*+ 6·6[11]*		.. [10]	.. [10]		*+29·5[11]*		*+33·0*	*+38·4*	..	*+13·0*

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] See footnote [2] on page 12. [4] All industries covered. [5] Unemployed excluding school-leavers and adult students.
[6] Vacancies notified to employment offices. [7] Purchased by manufacturing industry.
[8] At mid-May 1975 new statistical returns were introduced. The first line of figures for mid-May and mid-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [9] Estimate of 20 January 1975.
[10] Figure not available due to industrial action. [11] Provisional.
[12] Owing to industrial action by some Department of Employment staff the provisional estimate is based on returns or estimates received from only just over half the country.

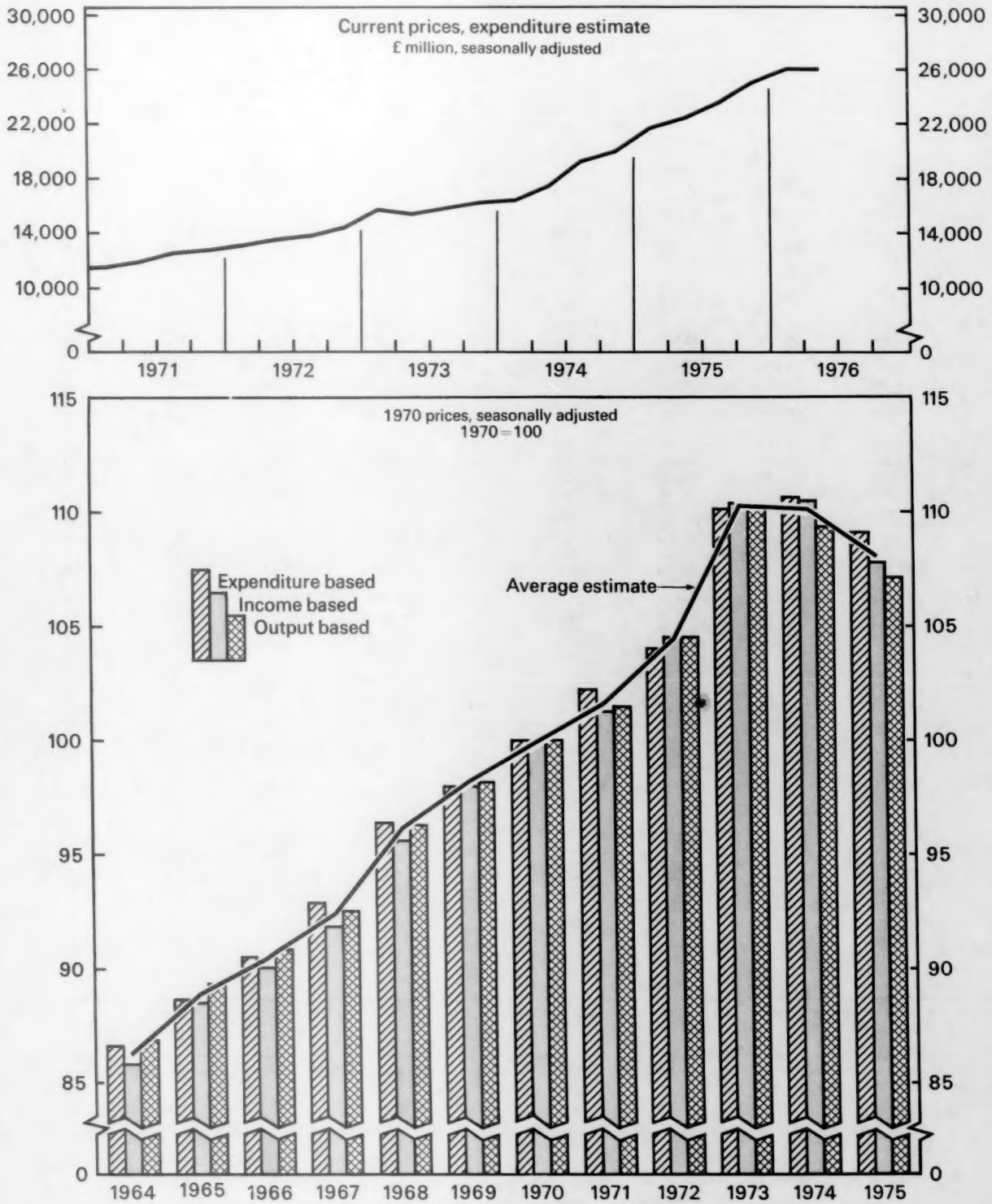
Tables and charts

Gross domestic product at factor cost[1] and national disposable income revalued at 1970 market prices[2]

Seasonally adjusted

	Gross domestic product at factor cost									National disposable income
	At current prices				At 1970 factor cost					At 1970 market price
	£ million		1970=100		£ million	1970=100				1970=100
	Based on:		Based on:		Based on:	Based on:				
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	Average estimate
1965	31,221	31,221	71·8	71·6	38,582	88·7	88·5	89·3	88·8	88·4
1966	33,105	32,969	76·1	75·7	39,370	90·5	90·0	90·9	90·5	90·2
1967	34,926	34,584	80·3	79·4	40,416	92·9	91·8	92·5	92·4	92·0
1968	37,457	37,243	86·1	85·5	41,902	96·4	95·6	96·3	96·1	94·9
1969	39,483	39,598	90·8	90·9	42,600	98·0	98·0	98·2	98·1	97·2
1970	43,489	43,580	100·0	100·0	43,489	100·0	100·0	100·0	100·0	100·0
1971	49,071	48,690	112·8	111·7	44,488	102·3	101·3	101·5	101·7	102·2
1972	54,968	55,349	126·4	127·0	45,243	104·0	104·5	104·5	104·3	105·4
1973	63,447	63,755	145·9	146·3	47,891	110·1	110·4	110·3	110·3	110·2
1974	73,511	73,638	169·0	169·0	48,089	110·6	110·5	109·4	110·2	105·1
1975	93,146	92,226	214·2	211·6	47,453	109·1	107·8	107·1	108·0	104·6
1970 *3*	10,979	11,120	101·0	102·1	10,906	100·3	101·4	100·5	100·7	100·8
4	11,383	11,414	104·7	104·8	11,000	101·2	101·3	100·6	101·0	
1971 *1*	11,550	11,480	106·2	105·4	10,859	99·9	99·1	100·2	99·7	100·7
2	11,992†	11,953	110·3	109·7	11,043	101·6	101·0	101·4	101·3	
3	12,639	12,485	116·3	114·6	11,296	103·9	102·4	102·0	102·8	103·6
4	12,890	12,772	118·6	117·2	11,290	103·8	102·7	102·4	103·0	
1972 *1*	13,170	12,840	121·1	117·9	11,090	102·0	99·3	101·3	100·9	104·4
2	13,562	13,683	124·7	125·6	11,375	104·6	105·4	104·6	104·9	
3	13,819	14,129	127·1	129·7	11,259	103·6	105·7	105·2	104·8	106·5
4	14,417	14,697	132·6	134·9	11,519	105·9	107·8	106·8	106·8	
1973 *1*	15,775	15,338	145·1	140·8	12,190	112·1	108·8	110·4	110·4	110·9
2	15,430	15,780	141·9	144·8	11,933	109·8	112·0	109·7	110·5	
3	15,910	16,121	146·3	148·0	11,908	109·5	110·8	110·7	110·3	109·6
4	16,332	16,516	150·2	151·6	11,860	109·1	110·1	110·6	109·9	
1974 *1*	16,517	15,979	151·9	146.7	11,696	107·6	104·0	107·3	106·3	103·5
2	17,512	17,503	161·1	160·7	12,118	111·5	111·3	109·9	110·9	
3	19,387	19,523	178·3	179·2	12,225	112·4	113·1	111·0	112·2	106·8
4	20,095	20,633	184·8	189·4	12,050	110·8	113·7	109·5	111·3	
1975 *1*	21,766	21,446	200·2	196·8	12,089	111·2	109·3	109·3	109·9	104·8
2	22,598	22 465	207·9	206·2	11,781	108·4	107·5	106·9	107·6	
3	23,633	23,627	217·4	216·9	11,691	107·5	107·3	106·0	106·9	104·5
4	25,149	24,688	231·3	226·6	11,892	109·4	107·2	106·3	107·6	
1976 *1*	26,036	25,149	239·5	230·8	12,150	111·8	107·7	107·8	109·1	105·9
2	26,049	26,263	239·6	241·1	11,744	108·0	108·7	108·0	108·2	
	Percentage change, period on corresponding period of previous year									
1974 *3*	*+21·9*	*+21·1*	*+21·9*	*+21·1*	*+2·7*	*+2·7*	*+2·1*	*+0·3*	*+1·7*	*−2·6*
4	*+23·0*	*+24·9*	*+23·0*	*+24·9*	*+1·6*	*+1·6*	*+3·3*	*−1·0*	*+1·3*	
1975 *1*	*+31·8*	*+34·2*	*+31·8*	*+34·2*	*+3·4*	*+3·3*	*+5·1*	*+1·9*	*+3·4*	*+1·3*
2	*+29·0*	*+28·3*	*+29·0*	*+28·3*	*−2·8*	*−2·8*	*−3·4*	*−2·7*	*−3·0*	
3	*+21·9*	*+21·0*	*+21·9*	*+21·0*	*−4·4*	*−4·4*	*−5·1*	*−4·5*	*−4·7*	*−2·2*
4	*+25·2*	*+19·7*	*+25·2*	*+19·7*	*−1·3*	*−1·3*	*−5·7*	*−2·9*	*−3·3*	
1976 *1*	*+19·6*	*+17·3*	*+19·6*	*+17·3*	*+0·5*	*+0·5*	*+1·5*	*−1·4*	*−0·7*	+1·0
2	*+15·3*	*+16·9*	*+15·3*	*+16·9*	*−0·3*	*−0·3*	*+1·1*	*+1·0*	*+0·6*	

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends* January 1975.
[3] Income data deflated by the price index implied by estimates based on expenditure data.


Current prices, expenditure estimate
£ million, seasonally adjusted
30,000
26,000
22,000
18,000
14,000
10,000
0
1971
1972
1973
1974
1975
1976
1970 prices, seasonally adjusted
1970 = 100
115
110
105
100
95
90
85
0
Expenditure based
Income based
Output based
Average estimate
1964
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975

Expenditure on the gross domestic product

Seasonally adjusted

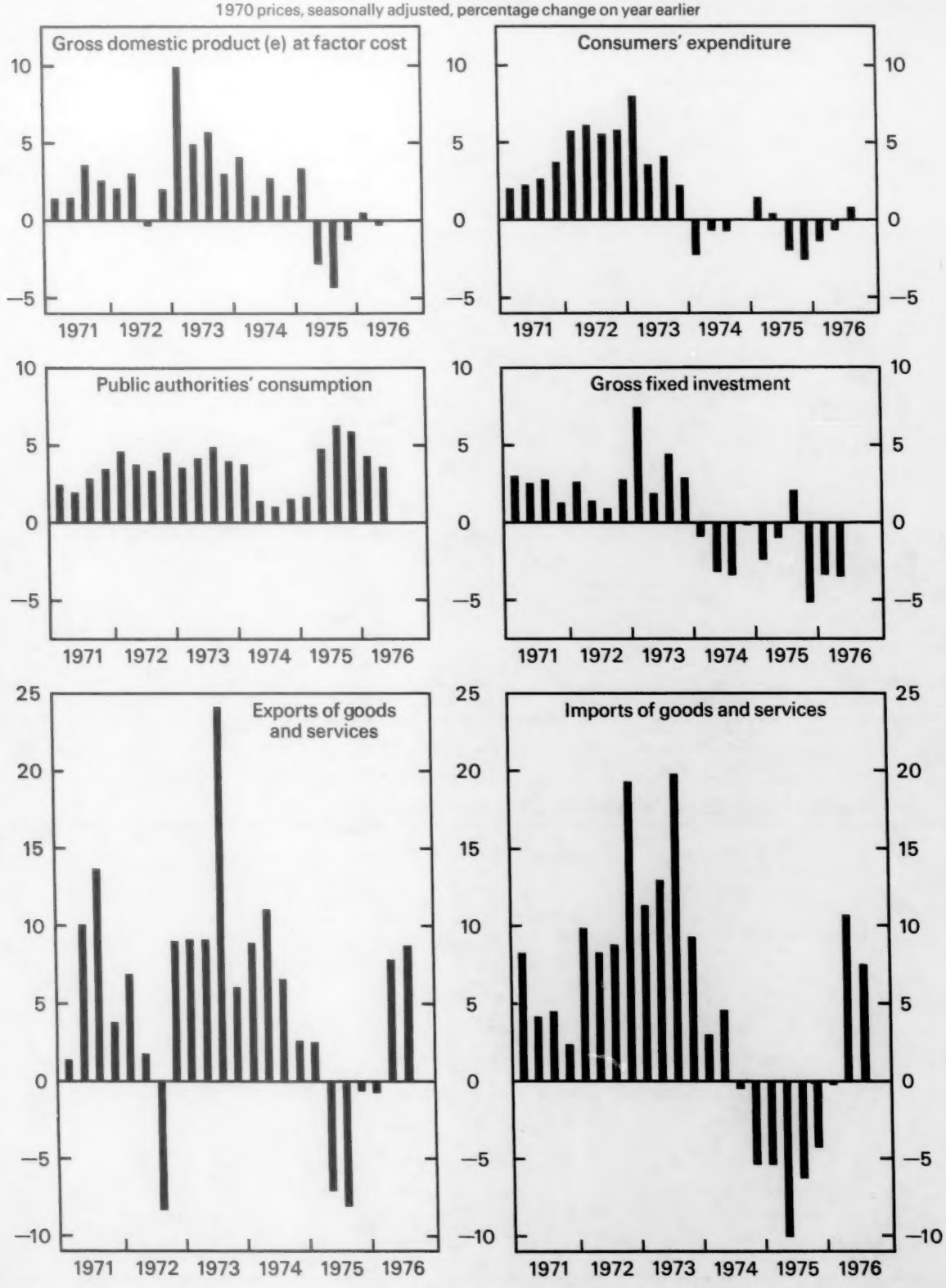
£ million, 1970 prices

	Gross domestic product at factor cost (expenditure based)	Final expenditure on goods and services at market prices							Adjustment to factor cost
		Total	Consumers' expenditure§	Public authorities' consumption	Gross fixed investment§	Stockbuilding§	Exports of goods and services§	Imports of goods and services§	
1964	37,678	52,936	28,330	8,138	7,541	936	7,991	8,487	6,771
1965	38,582	53,950	28,705	8,357	7,900	616	8,372	8,570	6,798
1966	39,370	55,068	29,255	8,595	8,097	420	8,701	8,780	6,918
1967	40,416	56,901	29,876	9,075	8,780	368	8,802	9,370	7,115
1968	41,902	59,234	30,627	9,103	9,182	504	9,818	10,054	7,278
1969	42 600	60,209	30,826	8,960	9,216	468	10,739	10,357	7,252
1970	43,489	61,909	31,644	9,095	9,453	442	11,275	10,887	7,533
1971	44,488	63,711	32,505	9,344	9,681	99	12,082	11,406	7,817
1972	45,243	66,386	34,402	9,725	9,870	39	12,350	12,727	8,416
1973	47,891	71,273	35,935	10,131	10,279	1,127	13,801	14,411	8,971
1974	48,089	71,426	35,612	10,325	10,087	604	14,798	14,453	8,884
1975	47,453	69,739	35,374	10,807	9,967	−699	14,290	13,503	8,783
1971 *1*	10,859	15,574	7,932	2,303	2,373	125	2 841	2,835	1,880
2	11,043	15,839	8,070	2,330	2,434	− 76	3,081	2,874	1,922
3	11,296	16,098	8,203	2,347	2,432	11	3,105	2,817	1,985
4	11,290	16,200	8,300	2,364	2,442	39	3,055	2,880	2,030
1972 *1*	11,090	16,258	8,391	2,410	2,436	− 15	3,036	3,115	2,053
2	11,375	16,610	8,563	2,418	2,469	24	3,136	3,111	2,124
3	11,259	16,399	8,663	2,426	2,455	8	2,847	3,066	2,074
4	11,519	17,119	8,785	2,471	2,510	22	3,331	3,435	2,165
1973 *1*	12,190	17,903	9,060	2,497	2,617	418	3,311	3,468	2,245
2	11 933	17,667	8,874	2,520	2,516	336	3,421	3,516	2,218
3	11,908	17,831	9,015	2,544	2,562	176	3,534	3,673	2,250
4	11,860	17 872	8,986	2,570	2,584	197	3,535	3,754	2,258
1974 *1*	11,696	17,540	8,853	2,592	2,594	−105	3 606	3,573	2,271
2	12,118	17,925	8,814	2,555	2,436	321	3,799	3,676	2,131
3	12,225	18,099	8,956	2,571	2,476	330	3,766	3,651	2,223
4	12,050	17,862	8,989	2,607	2,581	58	3,627	3,553	2,259
1975 *1*	12,089	17,729	8,989	2,638	2,533	−126	3,695	3,379	2,261
2	11,781	17,248	8,851	2,677	2,460	−269	3,529	3,305	2,162
3	11,691	17,282	8,776	2,732	2,528[1]	−214	3,460	3,420[1]	2,171
4	11,892	17,480	8,758	2,760	2,446	− 90	3,606	3,399	2,189
1976 *1*	12,150	17,755	8,866	2,751	2,448	22	3,668	3,372	2,233
2	11,744	17,579	8,789	2,773	2,375	−161	3,803	3,660	2,175
3			(8,850)[2]				(3,761)[2]	(3,677)[2]	
4									
			Percentage change, quarter on corresponding quarter of previous year						
1975 *1*	*+3·4*	*+1·1*	*+1·5*	*+1·8*	*−2·4*	..	*+2·5*	*− 5·4*	*−0·4*
2	*−2·8*	*−3·8*	*+0·4*	*+4·8*	*+1·0*	..	*−7·1*	*−10·1*	*+1·5*
3	*−4·4*	*−4·5*	*−2·0*	*+6·3*	*+2·1*	..	*−8·1*	*− 6·3*	*−2·3*
4	*−1·3*	*−2·1*	*−2·6*	*+5·9*	*−5·2*	..	*−0·6*	*− 4·3*	*−3·1*
1976 *1*	*+0·5*	*+0·1*	*−1·4*	*+4·3*	*−3·4*	..	*−0·7*	*− 0·2*	*−1·2*
2	*−0·3*	*+1·9*	*−0·7*	*+3·6*	*−3·5*	..	*+7·8*	*+10·7*	*+0·6*
3			*+0·8*				*(+8·7)*[2]	*(+7·5)*[2]	
4									

[1] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.

[2] The figures in brackets are preliminary estimates and are partially forecast, being based on incomplete data. At this stage estimates of the latest quarterly changes in consumers' expenditure are expected to differ on average by £30m from the quarterly estimates subsequently published in the National Income and Expenditure article.

1970 prices, seasonally adjusted, percentage change on year earlier



Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1970 prices		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal savings ratio[3]	Real personal disposable income[4]		Real consumers' expenditure §
	Total[1]	*of which:* Wages and salaries				£ million §	1970=100	£ million
1965	30,083	19 111	25,074	22,845	8·9	31,506	90·6	28,705
1966	32,190	20,389	26,655	24,211	9·2	32,208	92·6	29,255
1967	33,840	21,173	27,798	25,428	8·5	32,661	93·9	29,876
1968	36,463	22,566	29,701	27,338	8·0	33,274	95·7	30,627
1969	39,113	24,188	31,663	29,102	8·1	33,539	96·5	30,826
1970	43,323	26,994	34,766	31,644	9·0	34,766	100·0	31,644
1971	47,744	29,691	38,454	35,165	8·6	35,545	102·2	32,505
1972	54,228	33,163	44,229	39,716	10·2	38,311	110·2	34,402
1973	62,775	38,079	50,954	45,044	11·6	40,650	116·9	35,935
1974	75,850	45,900	60,295	51,832	14·0	41,427	119·2	35,612
1975	95,700	59,292	73,727	63,373	14·0	41,153	118·4	35,374
1971 *3*	12,127	7,569	9,800	8,982	8·3	8,950	103·0	8,203
4	12,461	7,653	10,033	9,160	8·7	9,091	104·6	8,300
1972 *1*	12,800	7,812	10,269	9,426	8·2	9,143	105·2	8,391
2	13,493	8,215	11,079	9,751	12·0	9,730	111·9	8,563
3	13,629	8,402	11,171	10,111	9·5	9,572	110·1	8,663
4	14,306	8,734	11,710	10,428	10·9	9,866	113·5	8,785
1973 *1*	14,864	8,963	12,029	10,976	8·8	9,934	114·3	9,060
2	15,586	9,461	12,663	10,966	13·4	10,249	117·9	8,874
3	15,900	9,702	12,936	11,414	11·8	10,220	117·6	9,015
4	16,425	9,953	13,326	11,688	12·3	10,247	117·9	8,986
1974 *1*	17,171	10,192	13,831	12,014	13·1	10,198	117·3	8,853
2	18,000	10,924	14,391	12,579	12·6	10,090	116·1	8,814
3	19,628	11,872	15,542	13,313	14·3	10,462	120·4	8,956
4	21,051	12,912	16,531	13,926	15·8	10,677	122·8	8,989
1975 *1*	22,314	13,963	17,357	14,686	15·4	10,619	122·2	8,989
2	23,319	14,460	18,021	15,572	13·6	10,238	117·8	8,851
3	24,683	15,287	18,925	16,282	14·0	10,195	117·3	8,776
4	25,384	15,582	19,424	16 833	13·3	10,101	116·2	8,758
1976 *1*	26,384	16,040	20,157	17,564	12·9	10,175	117·1	8,866
2	27,194	16,588	20,575	17,848	13·3	10,132	116·6	8,789

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

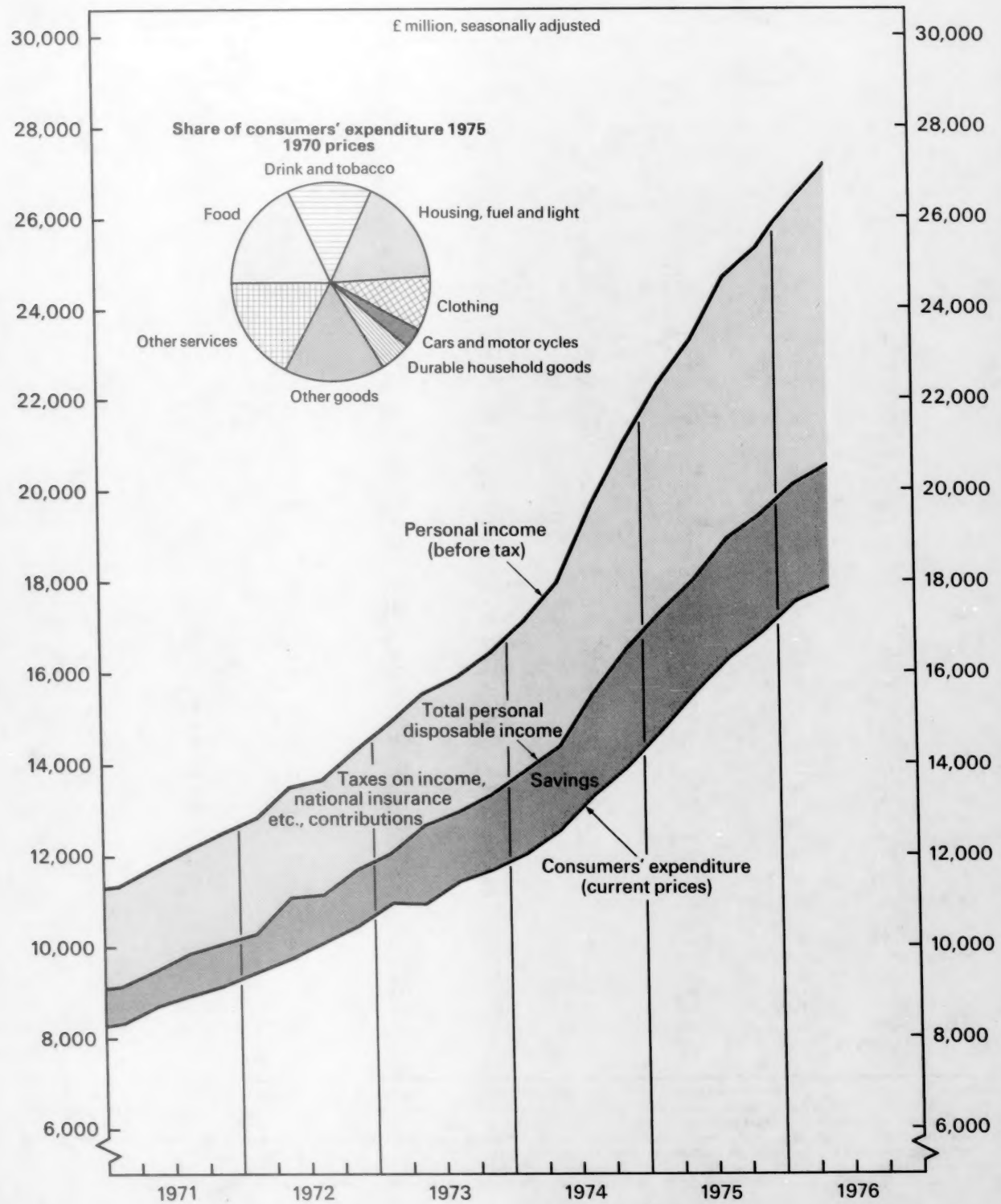
Real consumers' expenditure — component categories

Seasonally adjusted

£ million, 1970 prices

	Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1965	28,705	6,094	3,537	3,528	1,371	2,426	1,307	836	4,030	5,576
1966	29,255	6,187	3,664	3,625	1,387	2,425	1,273	833	4,230	5,631
1967	29,876	6,239	3,752	3,763	1,393	2,464	1,327	916	4,435	5,587
1968	30,627	6,277	3,851	3,899	1,432	2,599	1,421	975	4,642	5,531
1969	30,826	6,273	3,873	4 028	1,485	2,643	1,374	870	4,694	5,586
1970	31,644	6,375	4 019	4,101	1,495	2,757	1,438	997	4,782	5,680
1971	32,505	6,374	4,112	4,205	1,480	2,806	1,567	1,329	4,927	5,705
1972	34,402	6,342	4,389	4,308	1,534	2,975	1,864	1,594	5,398	5,998
1973	35,935	6,397	4 848	4,414	1,574	3,129	2,062	1,538	5,805	6,168
1974	35,612	6,431	4,920	4,463	1,616	3,104	1,932	1,110	5,878	6,158
1975	35,374	6,418	4,837	4,493	1,595	3,161	1,864	1,100	5,770	6,136
1975 *1*	8,989	1,592	1,243	1,128	419	812	500	280	1,463	1,552
2	8,851	1,583	1,195	1,121	403	788	504	268	1,448	1,541
3	8,776	1,620	1,195	1,121	383	789	424	312	1,424	1,508
4	8,758	1,623	1,204	1,123	390	772	436	240	1,435	1,535
1976 *1*	8,866	1,598	1,162	1,126	420	795	467	322	1,466	1,510
2	8,789	1,605	1,224	1,128	375	789	460	282	1,452	1,474
3	(8,850)[1]					818	495			
4										

[1] The figures in brackets are preliminary estimates. See footnote [2] to table on page 8.


£ million, seasonally adjusted
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
Share of consumers' expenditure 1975
1970 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Other services
Cars and motor cycles
Durable household goods
Other goods
Personal income
(before tax)
Total personal
disposable income
Taxes on income,
national insurance
etc., contributions
Savings
Consumers' expenditure
(current prices)
1971
1972
1973
1974
1975
1976

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

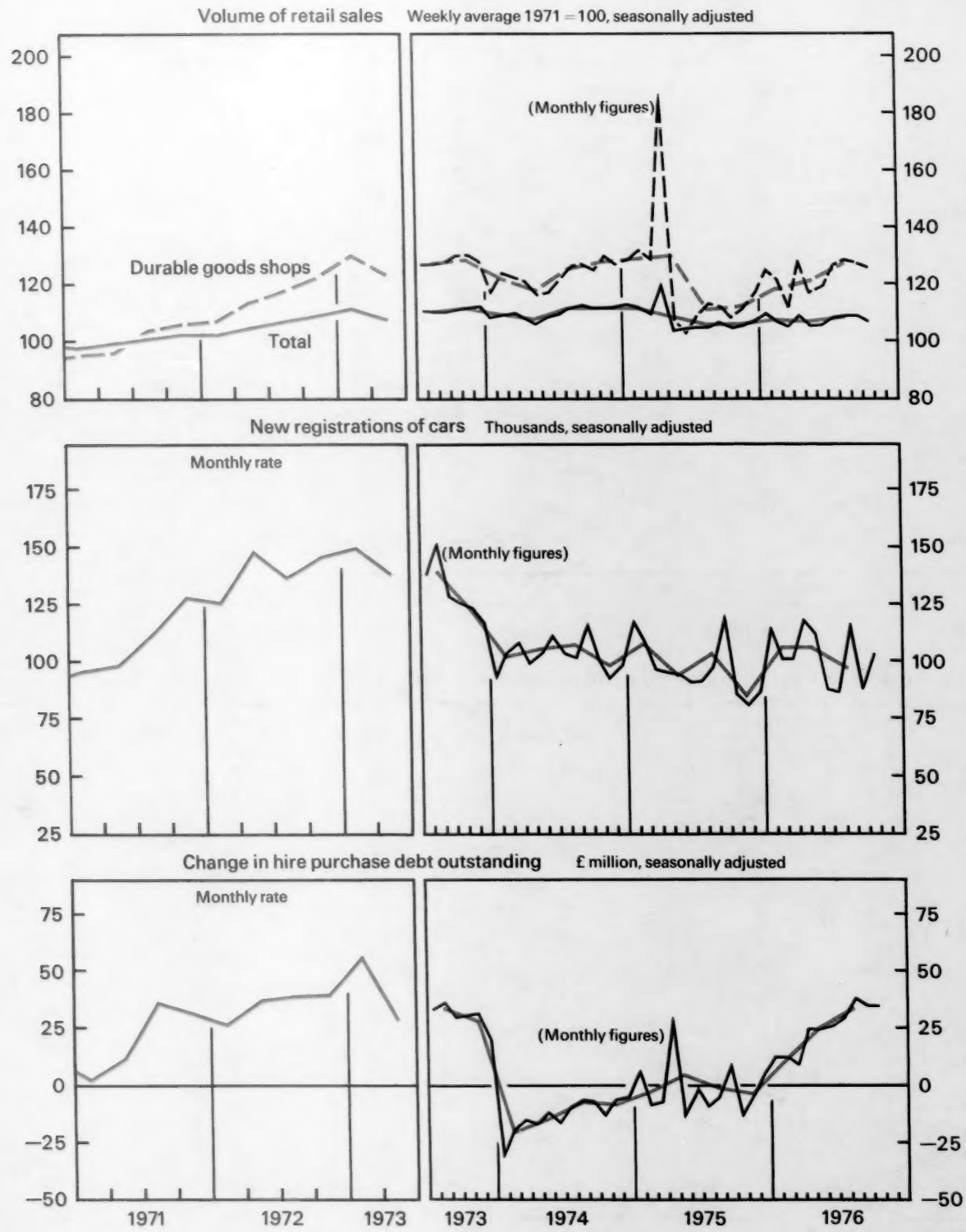
	Seasonally adjusted								
	Weekly average 1971=100						Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]						Hire purchase and other instalment credit[3,4]	
	Total[6] §	Total[6] §	Food shops[6] §	Clothing and footwear shops §	Durable goods shops §	Other non-food shops §	New registrations of cars §	New credit extended	Changes in debt outstanding
Sales in 1971 £ million[5]	*15,895*	*15,895*	*6,693*	*2,314*	*1,801*	*5,087*			
1965	69·7	91·7	96·7	93	85	87	93·5	1,590	+121
1966	72·7	92·9	98·3	93	84	89	88·8	1,450	−135
1967	75·3	94·7	99·5	93	87	92	93·1	1,556	− 40
1968	80·4	97·3	100·5	96	92	96	93·1	1,643	+ 46
1969	84·9	97·3	101·6	96	89	96	82·3	1,587	− 20
1970	91·4	99·1	101·7	98	92	99	91·4	1,775	+ 84
1971	100·0	100·0	100·0	100	100	100	108·5	2,053	+240
1972	112·0	105·8	101·5	105	115	109	138·6	2,497	+424
1973	126·9	110·7	101·0	109	127	118	137·1	2,871	+438
1974	146·7	109·9	101·8	107	123	117	102·8	2,517	−155
1975	174·5	107·9	99·3	108	121	115	97·2	2,987	− 10
1971 *3*	101·7	100·5	99·6	100	104	101	111·9	574	+107
4	104·6	102·1	100·2	101	106	104	128·4	573	+ 94
1972 *1*	105·8	102·1	99·9	100	107	104	125·0	567	+ 78
2	109·3	104·8	101·1	104	114	107	148·3	618	+112
3	114·1	107·3	101·7	108	118	111	135·8	640	+116
4	118·6	109·2	103·1	107	122	114	145·1	672	+118
1973 1	123·4	111·6	100·8	115	130	118	149·1	752	+170
2	122·2	108·6	100·9	105	123	115	138·3	685	+ 86
3	128·0	110·7	101·2	108	127	119	139·3	720	+ 99
4	134·0	111·7	101·1	109	129	121	121·8	714	+ 83
1974 *1*	136·6	109·6	100·2	107	122	119	101·7	570	− 64
2	141·0	107·8	101·1	104	118	115	105·1	618	− 45
3	150·9	111·2	103·0	110	125	118	107·2	651	− 22
4	158·2	111·3	102·8	107	128	119	97·3	678	− 24
1975 *1*	165·8	111·3	101·1	111	129	118	107·8	711	− 9
2	173·7	108·9	98·6	108	130	116	93·5	759	+ 14
3	177·0	105·5	97·9	108	111	112	103·2	748	− 5
4	182·1	105·8	99·4	105	112	112	84·5	769	− 10
1976 *1*	190·2	107·3	99·5	108	118	114	105·9	838	+ 35
2	193·9	106·7	99·3	106	121	112	105·9	873	+ 76
3	203·8	108·7	98·8	109	127	115	96·9	913	+103
4									
1975 *J*	175·3	105·4	97·7	110	109	112	91·1	249	− 9
A	175·8	104·8	97·5	109	113	110	98·4	239	− 5
S	179·2	106·1	98·6	106	112	114	120·2	260	+ 9
O	177·8	104·8	98·5	106	108	111	85·3	253	− 13
N	180·8	105·2	99·6	102	111	112	81·4	251	− 3
D	186·4	107·0	100·1	107	117	113	86·6	265	+ 6
1976 *J*	193·2	109·8	100·1	110	125	117	114·8	282	+ 13
F	189·6	107·1	99·5	107	121	112	101·4	276	+ 13
M	188·3	105·5	98·9	106	112	112	101·4	280	+ 9
A	195·3	108·5	101·4	106	128	112	118·1	291	+ 25
M	192·1	105·7	98·3	105	117	112	112·2	291	+ 25
J	194·2	106·1	98·4	107	119	111	87·5	291	+ 26
J	199·9	108·3	99·5	107	127	114	87·0	290	+ 30
A	204·3	108·9	99·5	109	128	115	115·5	304	+ 38
S	206·4	108·8	97·7	111	127	116	88·2	319	+ 35
O	206·8	107·3	97·7	106	126	114	103·5	309	+ 35
N									
D									

[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the Technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

[3] Credit extended by and repaid to finance houses and retailers, i.e. durable goods shops and department stores *plus* other general stores, general mail order houses and the non-durable goods departments of co-operative societies.

[4] The seasonal adjustments have been revised in the light of subsequent experience. [5] Provisional estimates.

[6] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.


Volume of retail sales
Weekly average 1971 = 100, seasonally adjusted
200
180
160
140
120
100
80
Durable goods shops
Total
(Monthly figures)
New registrations of cars
Thousands, seasonally adjusted
Monthly rate
175
150
125
100
75
50
25
(Monthly figures)
Change in hire purchase debt outstanding
£ million, seasonally adjusted
Monthly rate
75
50
25
0
−25
−50
(Monthly figures)
1971
1972
1973
1974
1975
1976

Shares of income and expenditure

Seasonally adjusted

	£ million	Per cent				£ million	Per cent		
		Percentage share of total final expenditure					Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	Public authorities' current expenditure on goods and services	Gross fixed investment: Public sector	Gross fixed investment: Private sector	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1,2]
1965	42,478	53·8	14·2	6·5	8·8	31,539	67·5	15·0	17·5
1966	45,105	53·7	14·6	7·0	8·4	33,330	68·4	13·8	17·8
1967	47,823	53·2	15·2	7·6	8·1	34,678	68·3	13·4	18·3
1968	52,549	52·0	14·7	7·2	8·4	37,813	67·2	14·0	18·8
1969	56,100	51·9	14·4	6·7	8·7	40,332	67·3	13·2	19·5
1970	61,909	51·1	14·7	6·6	8·6	44,742	68·0	12·7	19·3
1971	68,809	51·1	15·0	6·4	8·9	49,766	67·3	13·2	19·5
1972	76,503	51·9	15·4	6·1	9·2	56,684	66·3	13·6	20·1
1973	90,646	49·7	14·8	6·3	9·3	66,935	64·7	14·7	20·6
1974	108,577	47·7	15·3	6·6	8·7	79,729	65·8	13·5	20·7
1975	131,534	48·2	17·4	6·7	8·9	97,429	70·0	10·7	19·3
1974 *3*	28,296	47·0	15·1	6·4	8·4	20,615	66·2	13·2	20·6
4	29,120	47·8	16·1	7·0	8·7	21,904	67·6	12·5	19·9
1975 *1*	30,638	47·9	17·3	7·1	8·6	23,081	69·0	11·6	19·4
2	31,821	48·9	17·2	6·5	9·1	23,715	70·1	10·4	19·5
3	33,672	48·4	17·6	6·4	9·5	24,762	71·2	10·0	18·8
4	35,403	47·5	17·6	6·9	8·4	25,871	69·5	10·7	19·8
1976 *1*	36,689	47·9	17·0	7·1	8·1	26,586	69·4	10·9	19·7
2	37,866	47·1	17·3	6·3	8·4	27,785	69·0	11·6	19·4

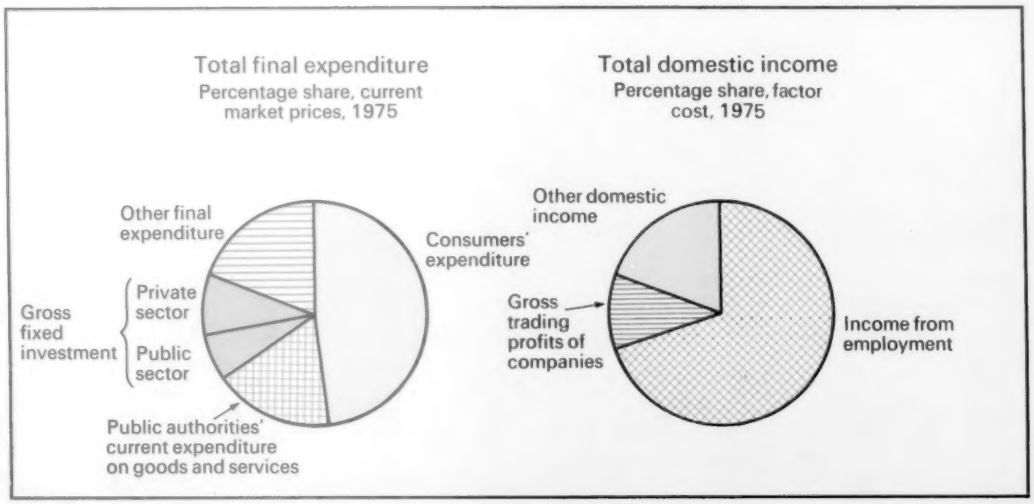
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and other public enterprises, income from rent and self-employment.

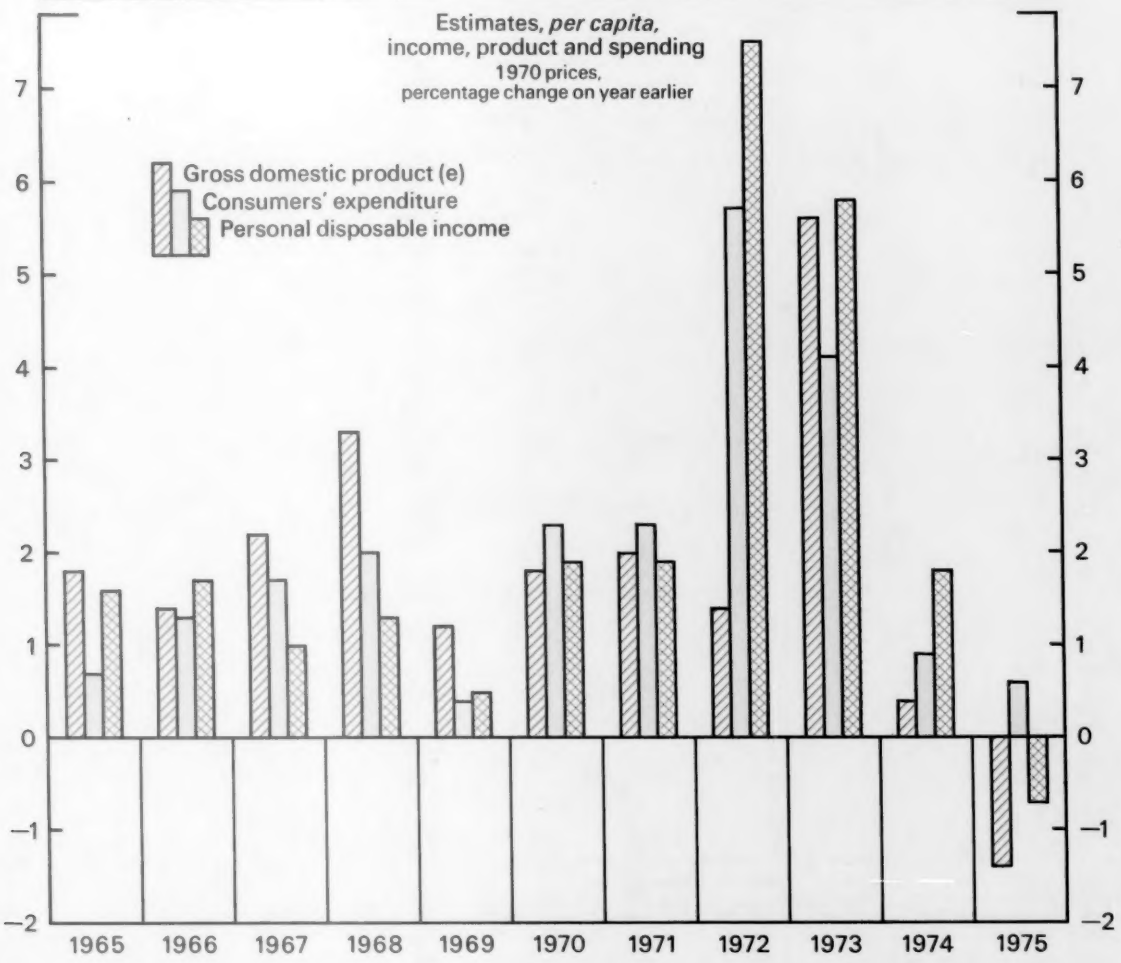
Estimates, *per capita*, income, product and spending

Seasonally adjusted

	£, current prices				£, 1970 prices		
	Gross national product	Gross domestic product[1]	Consumers' expenditure	Personal disposable income	Gross domestic product[1]	Consumers' expenditure	Personal disposable income
1965	582	574	420	461	710	528	579
1966	613	606	443	488	720	535	589
1967	643	636	463	506	736	544	595
1968	685	679	496	538	760	555	603
1969	722	713	526	572	769	557	606
1970	793	783	570	626	783	570	626
1971	890	881	631	690	799	583	638
1972	994	984	711	791	810	616	686
1973	1,157	1,133	804	910	855	641	726
1974	1,336	1,311	925	1,076	858	635	739
1975	1,678	1,661	1,130	1,315	846	631	734
1974 *3*	352	346	238	277	218	160	187
4	364	358	248	295	215	160	190
1975 *1*	392	388	262	310	216	160	189
2	406	403	278	321	210	158	183
3	426	421	290	338	208	157	182
4	454	449	300	346	212	156	180
1976 *1*	469	464	313	359	217	158	181
2	470	465	318	367	209	157	181

[1] Based on expenditure data.


Total final expenditure
Percentage share, current market prices, 1975
Other final expenditure
Consumers' expenditure
Gross fixed investment
Private sector
Public sector
Public authorities' current expenditure on goods and services
Total domestic income
Percentage share, factor cost, 1975
Other domestic income
Gross trading profits of companies
Income from employment


Estimates, *per capita*, income, product and spending
1970 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
7
6
5
4
3
2
1
0
−1
−2
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975

16

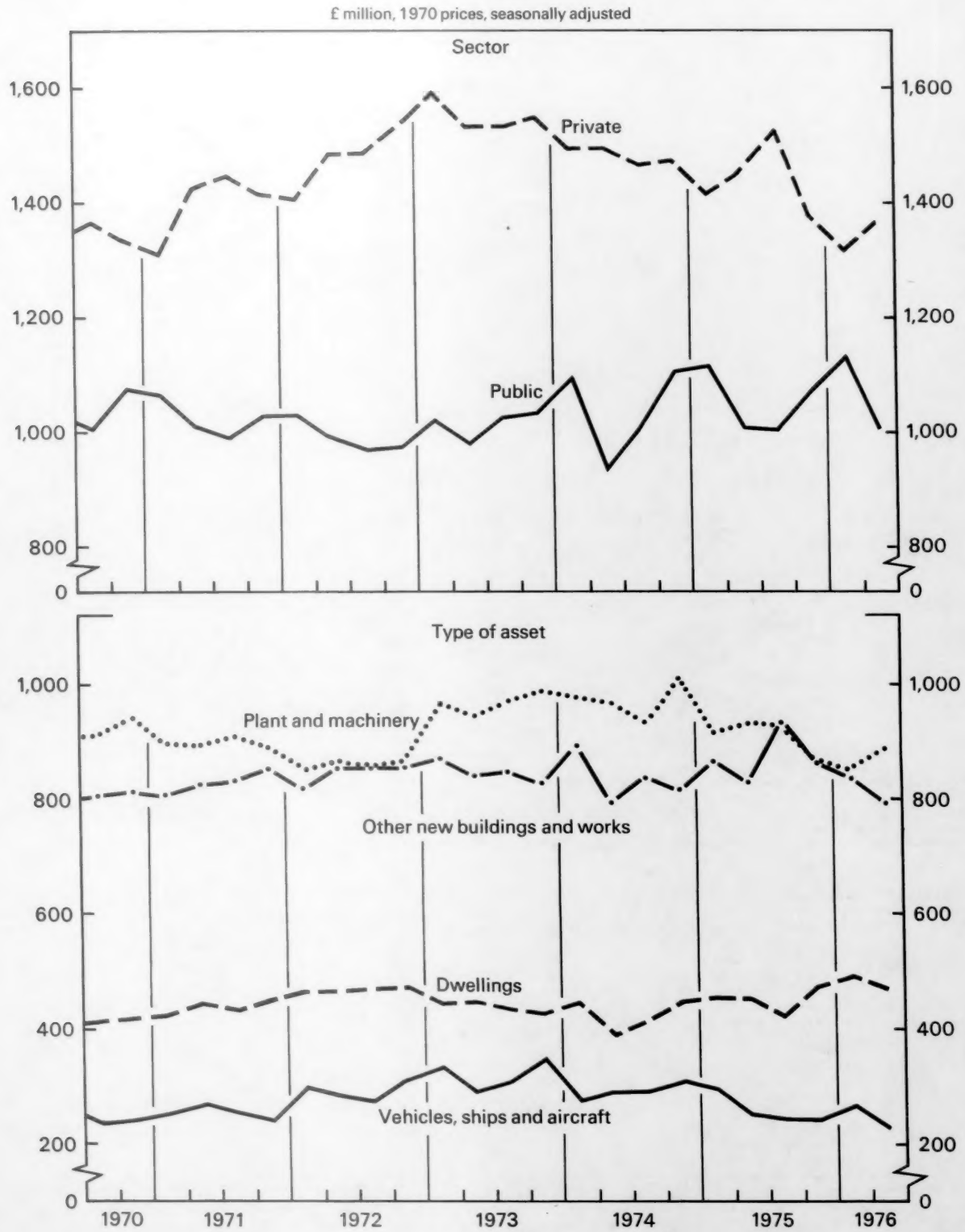
Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1970 prices

	Sector[1]		Type of asset					
			Dwellings					
	Total§	Private sector	Public sector	Total	*of which:* Private	*of which:* Public	Other new building and works[2]	Vehicles ships and aircraft	Plant and machinery
1965	7,900	4,405	3,495	1,558	890	668	2,580	751	3,011
1966	8,097	4,344	3,753	1,603	847	756	2,601	674	3,219
1967	8,780	4,488	4,292	1,784	915	869	2,879	752	3,365
1968	9,182	4,906	4,276	1,868	957	911	3,020	928	3,366
1969	9,216	5,211	4,005	1,785	894	891	3,050	912	3,469
1970	9,453	5,343	4,110	1,643	841	802	3,173	979	3,658
1971	9,681	5,595	4,086	1,754	1,007	747	3,315	1,013	3,599
1972	9,870	5,915	3,955	1,872	1,160	712	3,390	1,166	3,442
1973	10,279	6,222	4,057	1,750	1,040	710	3,382	1,279	3,868
1974	10,087	5,935	4,152	1,694	873	821	3,346	1,159	3,888
1975	9,967	5,769	4,198	1,809	950	859	3,489	1,029	3,640
1970 *1*	2,304	1,309	995	404	203	201	762	242	896
2	2,372	1,338	1,034	406	205	201	796	262	908
3	2,366	1,363	1,003	415	213	202	804	235	912
4	2,411	1,333	1,078	418	220	198	811	240	942
1971 *1*	2,373	1,309	1,064	421	234	187	801	252	899
2	2,434	1,427	1,007	443	248	195	826	267	898
3	2,432	1,444	988	438	258	180	830	254	910
4	2,442	1,415	1,027	452	267	185	858	240	892
1972 *1*	2,436	1,408	1,028	464	283	181	819	298	855
2	2,469	1,484	985	465	282	183	856	281	867
3	2,455	1,486	969	469	301	168	858	274	854
4	2,510	1,537	973	474	294	180	857	313	866
1973 *1*	2,617	1,597	1,020	443	266	177	870	336	968
2	2,516	1,536	980	445	271	174	840	290	941
3	2,562	1,537	1,025	436	253	183	848	307	971
4	2,584	1,552	1,032	426	250	176	824	346	988
1974 *1*	2,594	1,495	1,098	443	234	209	896	276	979
2	2,436	1,497	939	389	211	178	794	288	965
3	2,476	1,465	1,011	416	196	220	840	288	932
4	2,581	1,477	1,104	446	232	214	816	307	1,012
1975 *1*	2,533	1,418	1,115	458	231	227	864	297	914
2	2,460	1,453	1,007	453	241	212	826	250	931
3	2,528[3]	1,526[3]	1,002	421	237	184	938[3]	241	928
4	2,446	1,372	1,074	477	241	236	861	241	867
1976 *1*	2,448	1,317	1,131	492	251	241	834	264	858
2	2,375	1,368	1,007	468	248	220	792	228	887
	Percentage change, quarter on corresponding quarter of previous year								
1974 *1*	*−0·9*	*−6·3*	*+7·6*	*—*	*−12·0*	*+18·1*	*+ 3·0*	*−17·9*	*+ 1·1*
2	*−3·2*	*−2·5*	*−4·2*	*−12·6*	*−22·1*	*+ 2·3*	*− 5·5*	*− 0·7*	*+ 2·6*
3	*−3·4*	*−4·7*	*−1·4*	*− 4·6*	*−22·5*	*+20·2*	*− 0·9*	*− 6·2*	*− 4·0*
4	*−0·1*	*−4·8*	*+7·0*	*+ 4·7*	*− 7·2*	*+21·6*	*− 1·0*	*−11·3*	*+ 2·4*
1975 *1*	*−2·4*	*−5·2*	*+1·5*	*+ 3·4*	*− 1·3*	*+ 8·6*	*− 3·6*	*+ 7·6*	*− 6·6*
2	*+1·0*	*−2·9*	*+7·2*	*+16·5*	*+14·2*	*+19·1*	*+ 4·0*	*−13·2*	*− 3·5*
3	*+2·1*	*+4·2*	*−0·9*	*+ 1·2*	*+20·9*	*−16·4*	*+11·7*	*−16·3*	*− 0·4*
4	*−5·2*	*−7·1*	*−2·7*	*+ 7·0*	*+ 3·9*	*+10·3*	*+ 5·5*	*−21·5*	*−14·3*
1976 *1*	*−3·4*	*−7·1*	*+1·4*	*+ 7·4*	*+ 8·7*	*+ 6·2*	*− 3·5*	*−11·1*	*− 6·1*
2	*−3·5*	*−5·8*	*—*	*+ 3·3*	*+ 2·9*	*+ 3·8*	*− 4·1*	*− 8·8*	*− 4·7*

[1] Including purchases *less* sales of land and existing buildings.
[2] Including transfer costs of land and buildings.
[3] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.


£ million, 1970 prices, seasonally adjusted
Sector
1,600
1,400
1,200
1,000
800
0
Private
Public
Type of asset
1,000
800
600
400
200
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1970
1971
1972
1973
1974
1975
1976

Indicators of fixed investment by manufacturing industry

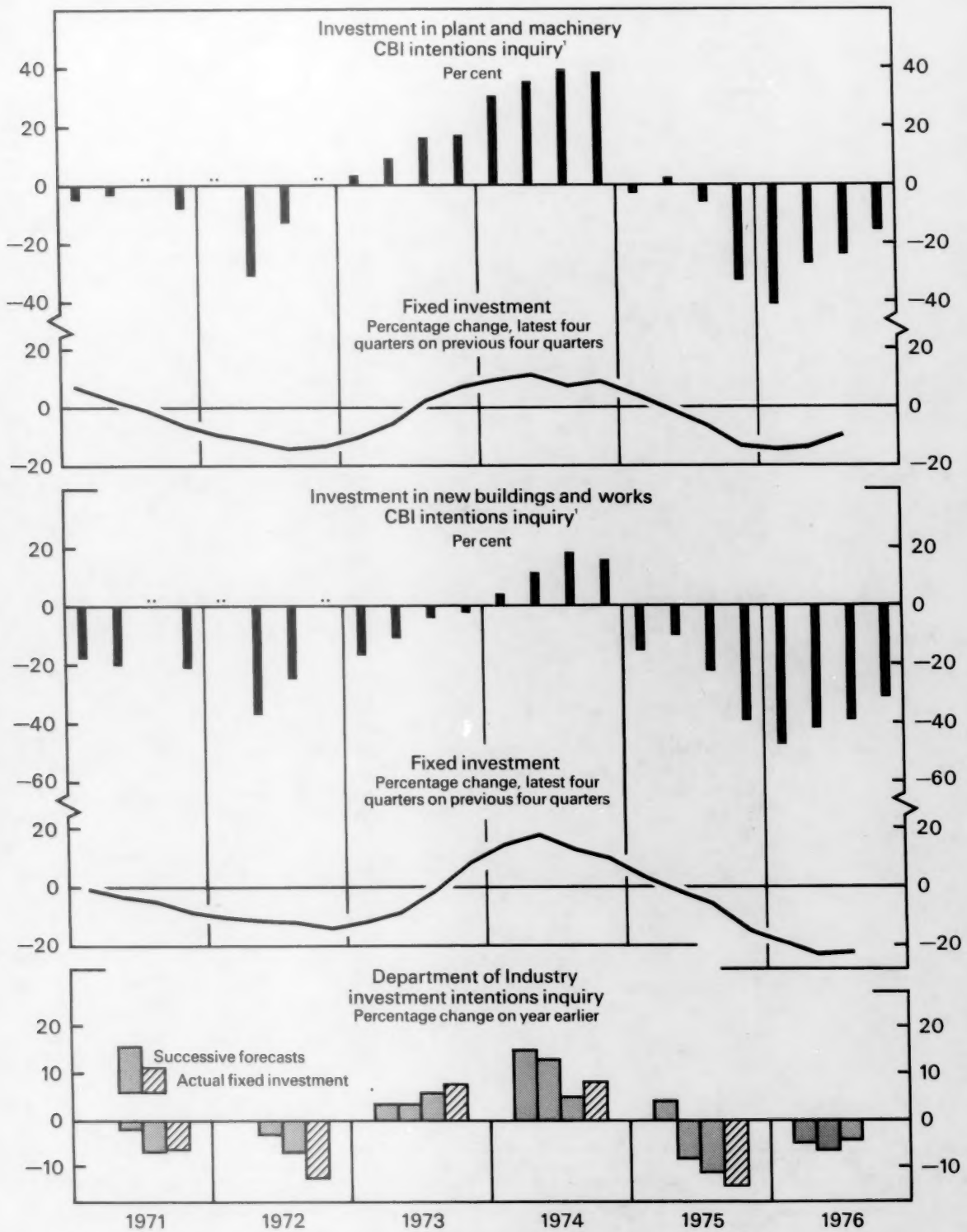
	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)[1,2]
	Total§	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1970 prices, seasonally adjusted	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted
1965	1,726·0	1,239·8	*+11*	..	384·0	*+12*	..	535·6
1966	1,773·7	1,312·0	*+ 6*	..	363·4	*− 5*	..	510·1
1967	1,737·7	1,318·6	*+ 1*	..	319·6	*−12*	..	527·9
1968	1,851·2	1,406·1	*+ 7*	..	335·9	*+ 5*	..	549·6
1969	1,977·5	1,471·5	*+ 5*	..	390·1	*+16*	..	605·9
1970	2,129·8	1,623·9	*+10*	..	391·2	*—*	..	565·2
1971	1,990·7	1,520·2	*− 6*	..	357·1	*− 9*	..	417·3
1972	1,739·2	1,310·4	*−14*	..	305·5	*−14*	..	469·8
1973	1,871·7	1,407·9	*+ 8*	..	330·8	*+ 8*	..	590·6
1974	2,024·0	1,524·4	*+ 8*	..	361·4	*+ 9*	..	497·2
1975	1,737·2	1,325·4	*−13*	..	307·3	*−15*	..	305·9
1971 *1*	513·4	394·6	*+ 1*	..[4]	90·9	*− 3*	..[4]	111·6
2	499·0	380·0	*− 6*	31	90·0	*− 9*	−37	98·9
3	497·9	383·5	*− 6*	−13	87·2	*−11*	−25	102·6
4	480·4	362·1	*−13*	..	89·0	*−11*	..	104·2
1972 *1*	458·1	350·1	*−11*	3	79·8	*−12*	−17	109·0
2	429·1	321·7	*−15*	9	77·8	*−14*	−11	107·8
3	424·8	316·6	*−17*	16	76·3	*−13*	− 4	105·5
4	427·2	322·0	*−11*	17	71·6	−20	− 2	147·5
1973 *1*	466·8	356·1	*+ 2*	30	76·7	*− 4*	4	133·2
2	448·9	338·8	*+ 5*	35	78·2	*+ 1*	11	137·0
3	488·6	365·7	*+16*	39	89·2	*+17*	18	154·6
4	467·4	347·3	*+ 8*	38	86·7	*+21*	16	165·8
1974 *1*	509·9	384·0	*+ 8*	− 3	91·4	*+19*	−15	117·3
2	502·2	377·5	*+11*	2	89·4	*+14*	−10	116·0
3	501·2	378·0	*+ 3*	− 6	87·9	*− 1*	−22	148·0
4	510·7	384·9	*+11*	−33	92·7	*+ 7*	−39	115·9
1975 *1*	471·2	355·3	*− 7*	−41	87·4	*− 4*	−47	106·5
2	444·4	338·9	*−10*	−27	80·2	*−10*	−42	75·2
3	416·1	318·5	*−16*	−24	72·7	*−17*	−39	72·1
4	405·5	312·7	*−19*	−15	67·0	*−28*	−31	52·1
1976 *1*	401·8	308·6	*−13*	10	66·5	*−24*	−12	75·7
2	408·3†	314·9†	− 7†	15	62·2†	*−22*†	− 9	95·7
3	418·4	324·9	*+ 2*	25	62·3	*−14*	− 3	81·0[5]
4				26			1	

[1] New orders from the third quarter 1974 include orders received by firms, mostly small, which have been added to the statistical register.
[2] From 2nd quarter 1976 figures are not precisely comparable with those of earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less. Figures relate to Inquiries in February, June and October of each year until 1972, when they are held in the first month of each quarter.
[4] No Inquiry was held in February 1971 because of the postal strike.
[5] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1968	probably some increase	about +5	less than +5	+ 6·5
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 6·8
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·5
1972	little change, perhaps a rise	about −3	−7	−12·6
1973	+2 to +5	+2 to +5	+6	+ 7·6
1974	strong increase about +15	some +12 to +14	about +5	+ 8·1
1975	less than +5	−7 to −10	about −11 or −12	−14·2
1976	of the order of −5	−5 to −8	−4 to −5	
1977	between + 15 and +20			

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these two inquiries are not included in the table.)

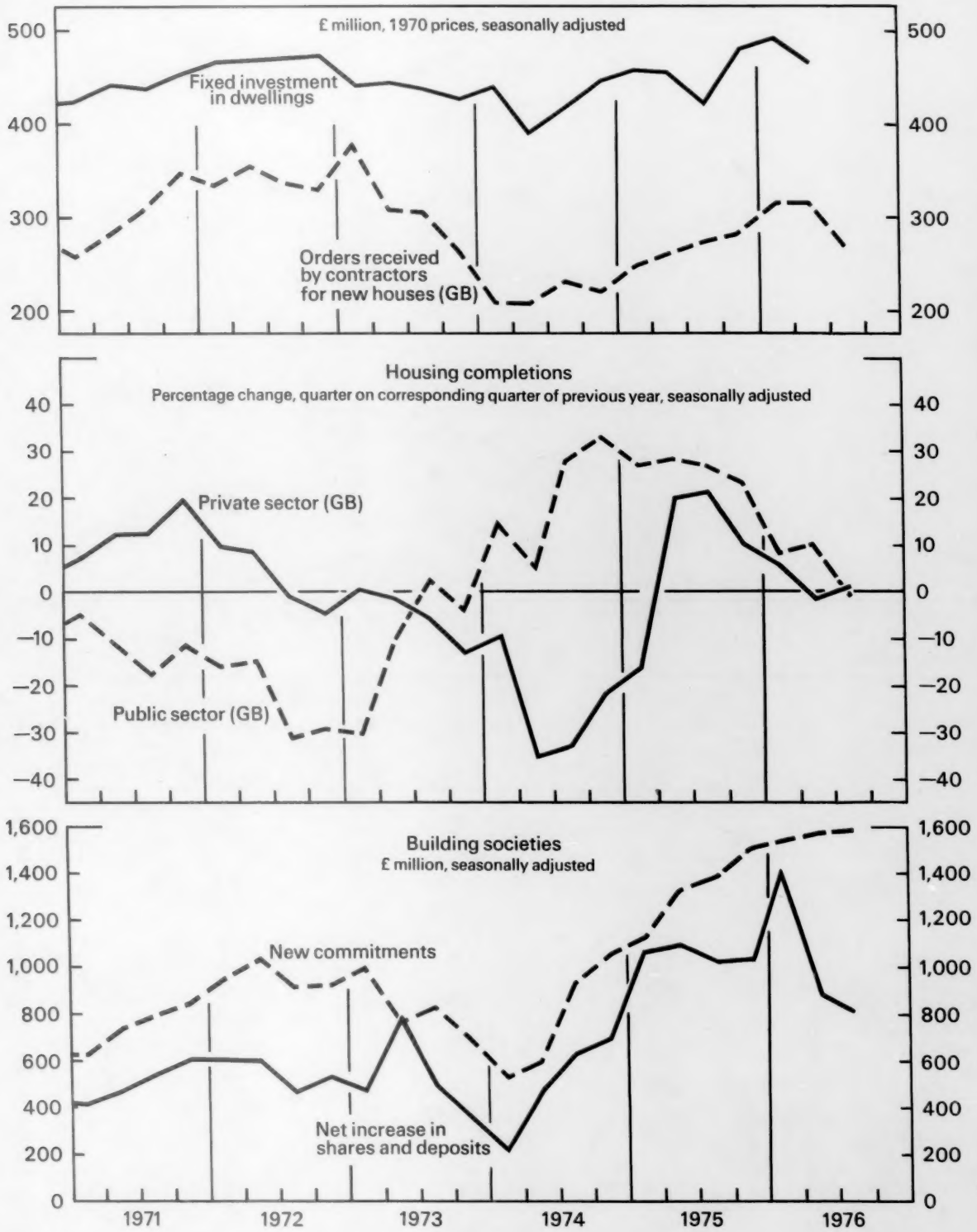


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1970 prices		Thousands				£ million		1970 = 100
			Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		
	Fixed investment in dwellings	Orders received by contractors for new houses (GB) [1, 2]	Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	Average price of new dwellings: mortgages approved [3]
1965	1,558	1,494·3	211·1	181·4	213·8	168·5	1,003	651	73·8
1966	1,603	1,381·2	193·4	185·9	205·4	180·1	1,223	724	79·2
1967	1,784	1,665·9	233·6	213·9	200·4	203·9	1,649	1,099	83·8
1968	1,868	1,435·7	200·1	194·3	222·0	191·7	1,480	767	89·6
1969	1,785	1,165·9	166·8	176·6	181·7	185·1	1,580	895	94·2
1970	1,643	1,171·6	165·1	153·8	170·3	180·1	2,188	1,490	100·0
1971	1,754	1,191·3	207·4	136·9	191·6	158·9	3,013	2,034	115·3
1972	1,872	1,351·3	228·0	123·0	196·5	122·8	3,802	2,193	151·5
1973	1,750	1,247·9	215·7	112·8	186·6	107·5	3,254	2,102	206·4
1974	1,694	866·1	105·9	146·8	140·9	128·6	3,115	1,993	218·9
1975	1,809	1,066·3	149·8	173·9	150·9	162·3	5,302	4,172	239·5 [4]
1971 *3*	438	306·4	53·9	33·4	49·1	37·9	798	546	119·5
4	452	436·9	61·9	34·6	51·7	38·2	848	607	122·6
1972 *1*	464	333·6	51·0	34·7	48·7	36·4	947	603	128·4
2	465	352·9	57·1	29·1	50·0	33·4	1,030	598	142·5
3	469	337·3	57·8	28·4	48·8	26·0	909	466	167·6
4	474	327·5	62·1	30·8	49·0	27·0	916	526	182·2
1973 *1*	443	375·2	62·0	30·2	48·9	25·5	991	464	196·0
2	445	306·1	55·4	27·4	49·1	29·7	759	784	205·4
3	436	303·5	53·3	27·6	46·0	26·4	816	498	211·6
4	426	263·1	45·0	27·6	42·6	25·9	688	356	217·0
1974 *1*	443	207·7	33·5	34·6	44·1	29·2	533	218	216·8
2	389	207·6	26·0	39·7	32·0	31·1	598	456	215·4
3	416	230·0	22·9	37·2	30·9	33·9	931	634	221·0
4	446	220·8	23·5	35·3	33·9	34·4	1,053	685	221·8
1975 *1*	458	248·3	34·1	41·8	37·1	37·2	1,119	1,054	228·1
2	453	261·0	37·2	37·4	38·5	39·8	1,311	1,085	239·4
3	421	274·0	38·8	45·0	37·5	42·9	1,373	1,012	244·5
4	477	283·0	39·7	49·7	37·8	42·4	1,499	1,021	246·1
1976 *1*	492	314·2	41·1	51·0	39·3	40·1	1,536	1,412	249·6
2	468	314·3	42·3	43·5†	37·6†	43·7†	1,555	880	258·4
3		268·2 [5]	40·1†	45·5	37·9	42·5	1,583	803	264·1
1975 *J*	..	92·2	12·8	14·6	12·0	13·1	442	302	244·5
A	..	81·3	13·3	14·8	13·3	14·2	426	363	245·6
S	..	100·5	12·7	15·6	12·2	15·6	505	347	243·5
O	..	103·2	13·3	16·5	11·9	14·4	518	338	245·7
N	..	91·1	13·8	17·0	13·7	14·9	459	319	245·8
D		88·7	12·6	16·2	12·2	13·1	522	364	246·8
1976 *J*	..	94·8	13·3	19·1	13·4	13·5	496	396	249·4
F	..	115·8	12·2	16·6	12·0	14·7	494	463	247·0
M	..	103·6	15·6	15·3	13·9	11·9	546	553	252·6
A	..	116·7	14·5	14·1	12·6	15·7	518	396	256·9
M	..	116·1	14·0	15·5	11·7	14·8	509	266	256·7
J	..	81·5	13·8	13·9†	13·3†	13·2†	528	218	261·6
J	..	107·6†	13·2	16·8	12·3	13·6	504	242	262·7
A	..	80·0 [5]	13·1†	15·0	12·2	13·3	521	309	264·7
S	..	80·6 [5]	13·8	13·7	13·4	15·6	558	252	265·0
O			10·1	11·5	12·0	13·7	495	169	
N							467	117	
D									

[1] New orders from July 1974 include orders received from firms mostly small which have now been added to the statistical register.
[2] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[4] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages. [5] Provisional


£ million, 1970 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
500
400
300
200
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
Private sector (GB)
Public sector (GB)
40
30
20
10
0
−10
−20
−30
−40
Building societies
£ million, seasonally adjusted
New commitments
Net increase in shares and deposits
1,600
1,400
1,200
1,000
800
600
400
200
0
1971
1972
1973
1974
1975
1976

Stock changes

Seasonally adjusted

£ million, 1970 prices

	All industries§§	Manufacturing[1] Total§§	Materials and fuel	Work in progress	Finished goods	Distribution Total	Retail	Wholesale	Other industries
Book values end-December									
1975	18,209	10,400	3,546	4,028	2,826	3,783	1,976	1,807	4,026
1970 *3*	163	70	35	12	23	17	1	16	76
4	77	82	10	45	27	25	− 4	29	−30
1971 *1*	125	26	−21	−22	69	− 2	−16	14	101
2	− 76	− 95	−45	−63	13	33	7	26	−14
3	11	− 49	−42	− 8	1	23	14	9	37
4	39	− 30	−37	− 5	13	20	17	3	49
1972 *1*	− 15	− 62	−13	12	− 61	18	1	17	29
2	24	− 70	−53	20	− 38	41	40	1	53
3	8	− 36	3	− 7	− 32	− 7	−13	6	51
4	22	23	22	7	− 5	11	−13	24	−21
1973 *1*	418	172	73	100	− 1	122	82	40	124
2	336	99	74	51	− 27	211	205	6	26
3	176	42	31	59	− 48	76	48	28	58
4	197	91	66	43	− 17	75	47	28	31
1974 *1*	−105	− 21	66	− 7	− 80	− 16	−38	22	−68
2	321	197	61	21	115	66	19	47	58
3	330	357	135	73	150	− 37	−39	2	10
4	58	133	14	21	98	− 43	−53	10	−32
1975 *1*	−126	17	−129	29	118	− 61	−38	−23	−82
2	−269	−105	− 59	−31	− 16	−118	−66	−52	−46
3	−214	−234	−133	−72	− 29	9	38	−29	11
4	− 90	− 70	− 50	−38	26	36	43	− 7	−56
1976 *1*	22	31	− 43	37	37	35	12	23	−44
2	−161	−130	− 34	− 77	− 19	− 77	−55	−22	46

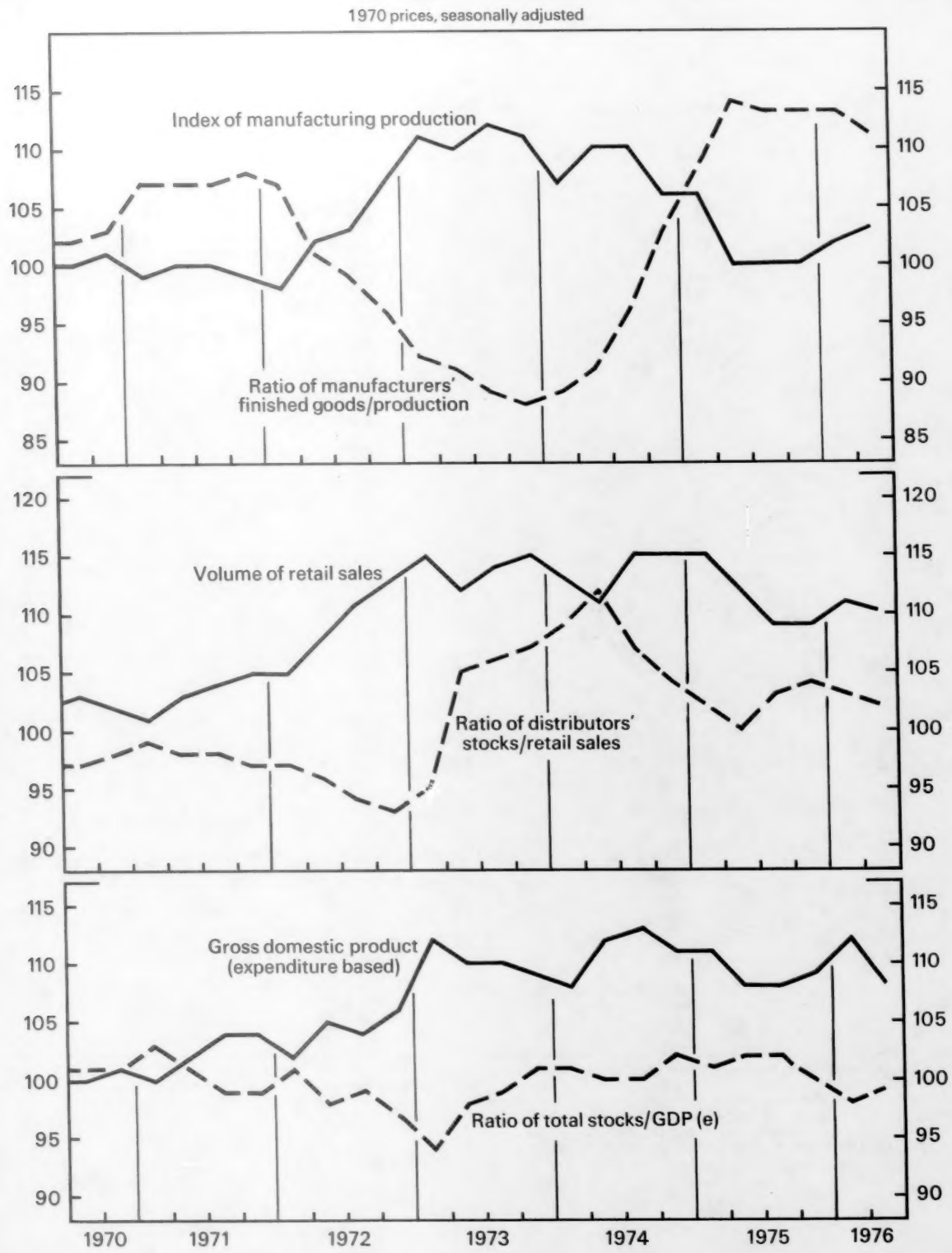
[1]Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

Stock ratios

Seasonally adjusted

1970 prices: stocks level, end-Dec. 1969 = 100; retail sales, GDP (e), and industrial production, 4th quarter 1969 = 100

	Total stocks to gross domestic product (expenditure based)	Manufactured stocks to manufacturing production Total stocks	Materials and fuel	Work in progress	Finished goods	Distributors' stocks to retail sales
1970 *3*	101	102	102	102	102	97
4	101	102	102	102	103	98
1971 *1*	103	104	103	103	107	99
2	101	102	101	101	107	98
3	99	102	100	101	107	98
4	99	103	100	102	108	97
1972 *1*	101	103	101	103	107	97
2	98	98	95	99	101	96
3	99	97	94	98	99	94
4	97	94	92	95	96	93
1973 *1*	94	92	90	94	92	95
2	98	93	92	96	91	105
3	99	93	92	96	89	106
4	101	94	94	97	88	107
1974 *1*	101	98	100	101	89	109
2	100	97	99	99	91	112
3	100	100	102	100	96	107
4	102	105	106	105	103	104
1975 *1*	101	105	103	105	108	102
2	102	110	107	111	114	100
3	102	108	104	110	113	103
4	100	107	102	108	113	104
1976 *1*	98	106	99	107	113	103
2	99	103	97	104	111	102

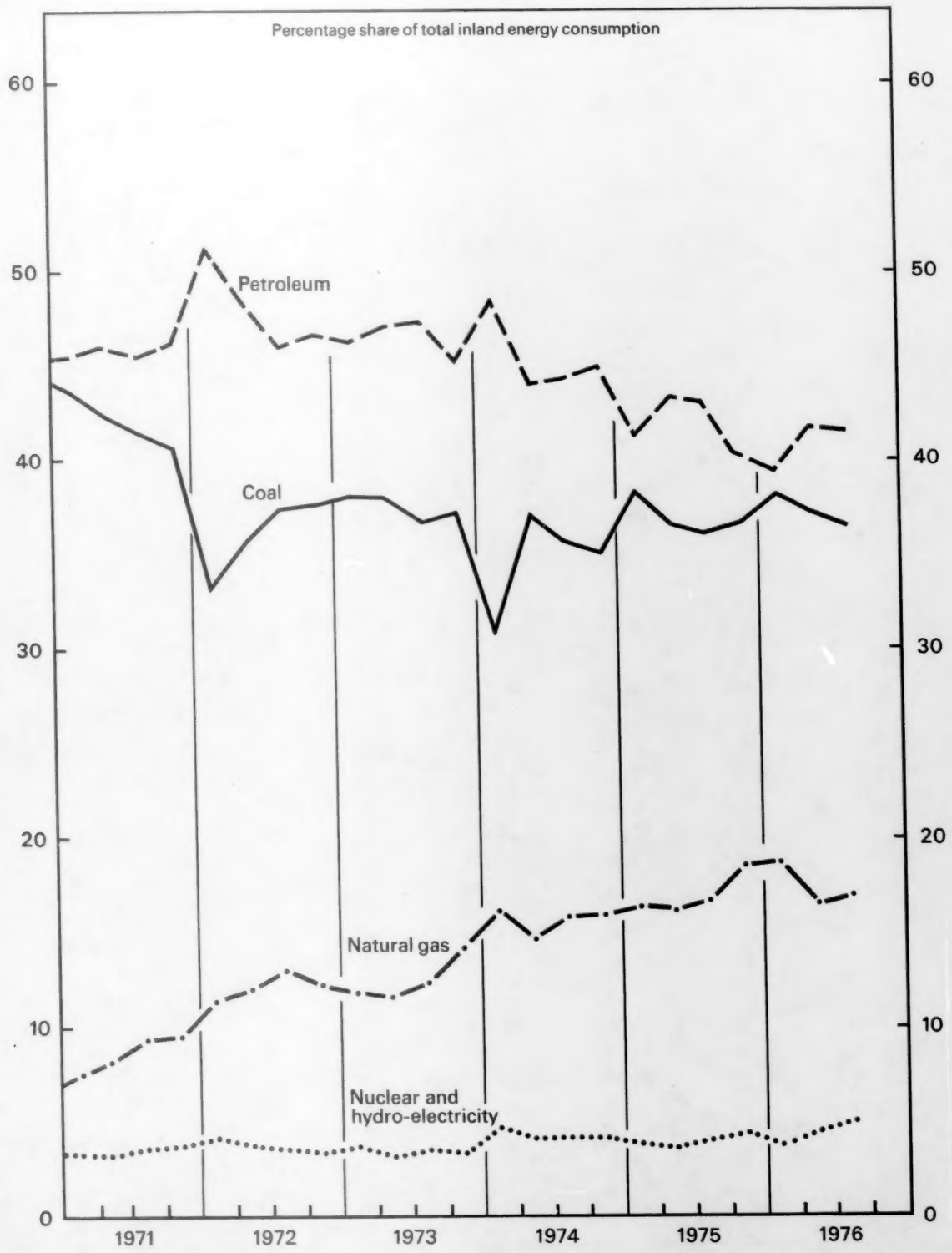

1970 prices, seasonally adjusted
Index of manufacturing production
Ratio of manufacturers' finished goods/production
Volume of retail sales
Ratio of distributors' stocks/retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP (e)
115
110
105
100
95
90
85
120
1970
1971
1972
1973
1974
1975
1976

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tons of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4]	Nuclear electricity[4]	Hydro electricity[4]	Electricity available(GB)[5]	Gas available(GB)[6]
1965	296·0	182·7	103·8	1·3	6·0	2·2	164·3	3·73
1966	298·0	173·5	113·2	1·2	7·8	2·3	171·9	4·04
1967	298·5	163·7	121·2	2·1	8·9	2·6	177·8	4·37
1968	307·9	164·1	127·1	4·7	10·1	1·9	193·6	4·88
1969	317·9	160·2	136·2	9·2	10·5	1·8	200·5	5·40
1970	331·0	154·3	147·4	17·6	9·3	2·4	211·6	6·30
1971	327·6	137·8	150·0	28·4	9·7	1·7	215·9	8·25
1972	332·1	119·9	159·6	40·3	10·5	1·8	224·1	10·82
1973	348·4	131·0	161·9	43·6	9·9	2·0	241·0	12·04
1974	332·6	115·8	150·7	52·1	11·9	2·1	235·5	13·53
1975	320·9	118·8	134·9	54·5	10·8	1·9	234·2	13·90
1971 *1*	332·2	144·7	151·3	25·0	9·0	2·2	211·8	7·33
2	325·7	138·4	149·7	26·8	9·4	1·4	212·6	8·01
3	321·4	133·2	146·2	30·3	10·4	1·3	217·4	8·52
4	331·3	134·7	152·9	31·6	10·2	1·9	221·8	9·15
1972 *1*	311·9	103·2	160·1	35·4	11·4	1·8	213·4	9·98
2	332·6	119·2	161·1	39·7	10·3	2·3	224·4	10·70
3	336·1	126·0	154·7	43·7	9·7	2·0	226·3	11·18
4	348·0	131·2	162·6	42·5	10·6	1·1	232·2	11·42
1973 *1*	345·8	132·2	160·2	40·8	10·7	1·9	243·2	11·51
2	346·9	132·3	163·2	40·2	9·2	2·0	241·3	11·69
3	351·2	129·1	166·5	43·4	10·0	2·2	241·3	12·19
4	349·5	130·2	157·8	50·0	9·7	1·8	238·3	12·79
1974 *1*	306·9	94·6	148·5	49·7	11·3	2·8	216·3	13·20
2	334·8	124·6	147·2	49·4	12·3	1·3	237·1	13·49
3	346·0	123·8	153·4	54·6	12·2	2·0	244·2	13·66
4	342·9	120·0	153·9	54·6	12·0	2·4	244·3	13·78
1975 *1*	326·2	125·2	134·6	53·6	10·7	2·1	236·2	13·73
2	324·7	119·3	140·8	52·9	10·2	1·5	237·3	13·71
3	318·1	115·1	137·0	53·3	10·6	2·1	234·7	13·97
4	314·7	115·4	127·1	58·4	11·8	2·0	228·5	14·20
1976 *1*	329·4	124·7	131·1	61·0	10·6	2·0	230·9	14·25
2	327·1	119·8†	138·1	54·2†	12·4	2·6	240·4†	14·30†
3	331·6	121·0	137·7	56·5	14·9	1·5	244·3	14·34
4								
	Percentage change, quarter on corresponding quarter of previous year							
1975 *1*	*+ 6·3*	*+32·3*	*− 9·4*	*+ 7·8*	*− 5·3*	*−25·0*	*+ 9·2*	*+ 4·0*
2	*− 3·0*	*− 4·3*	*− 4·3*	*+ 7·1*	*−17·1*	*+15·4*	*+ 0·1*	*+ 1·7*
3	*− 8·1*	*− 7·0*	*−10·7*	*− 2·4*	*−13·1*	*+ 5·0*	*− 3·9*	*+ 2·3*
4	*− 8·2*	*− 3·8*	*−17·4*	*+ 7·0*	*− 1·7*	*−16·7*	*− 6·5*	*+ 3·0*
1976 *1*	*+ 1·0*	*− 0·4*	*− 2·6*	*+13·7*	*− 0·6*	*− 6·1*	*− 2·2*	*+ 3·8†*
2	*+ 0·7*	*+ 0·4*	*− 1·8*	*+ 2·5*	*+21·3*	*+65·3*	*+ 1·3†*	*+ 4·3*
3	*+ 4·2*	*+ 5·1*	*+ 0·5*	*+ 6·1*	*+40·2*	*−29·4*	*+ 4·1*	*+ 2·6*
4								

[1] Revised basis. Details of changes are given in the *Digest of United Kingdom Energy Statistics 1976* and in *Energy Trends,* August 1976.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Natural gas, nuclear and hydro electricity are not temperature corrected.
[5] The inclusion of Northern Ireland would add about 2% to the total.
[6] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
60
50
40
30
20
10
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1971
1972
1973
1974
1975
1976

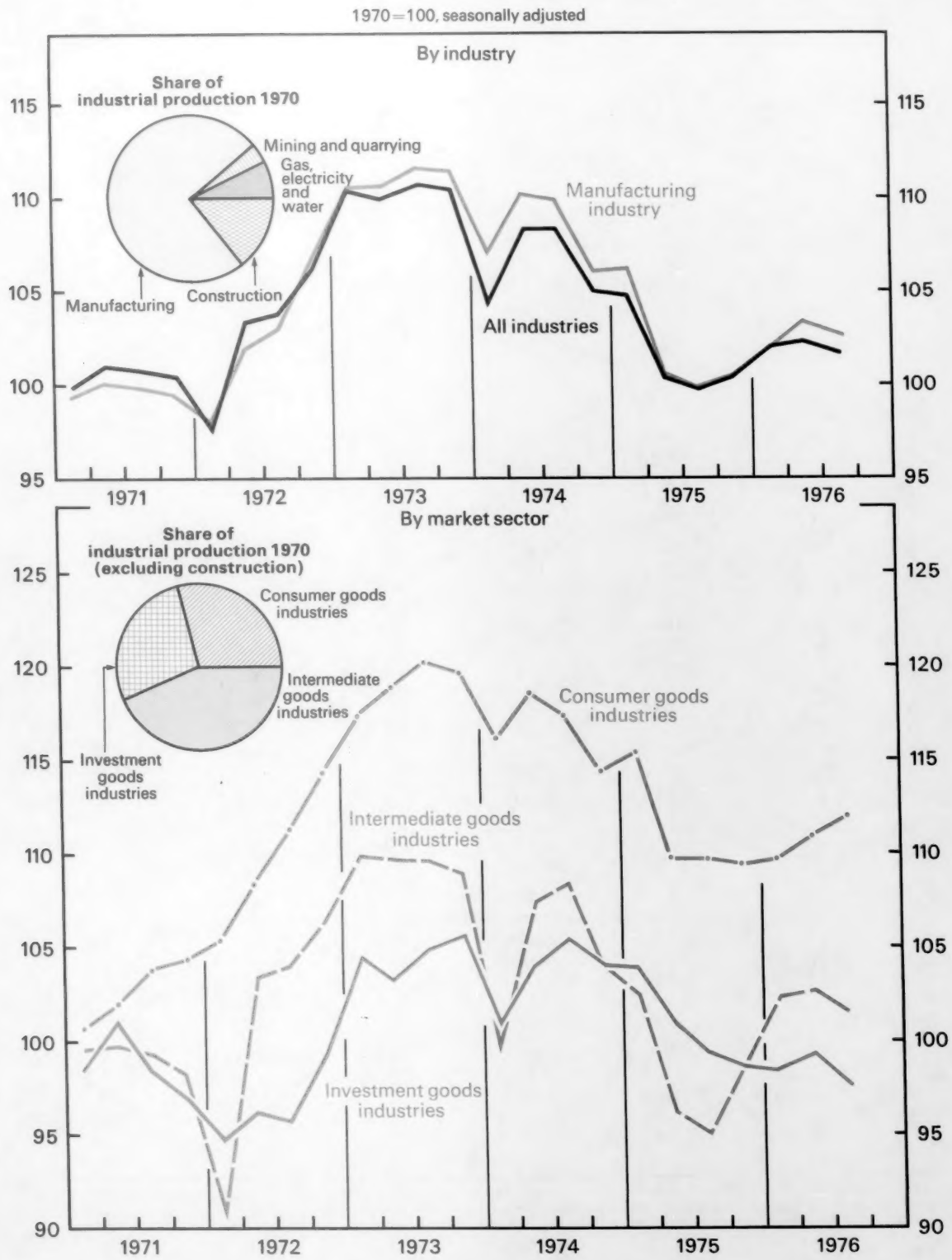
Index of industrial production

Seasonally adjusted

1970=100

	By industry				By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1970 weights	*1,000*	*37*	*745*	*146*	*72*	*249*	*238*	*363*
1965	89·1	122·3	87·6	95·1	79·9	..	..	..
1966	90·6	115·3	89·2	96·7	83·0	..	..	..
1967	91·7	114·5	89·8	100·4	86·0	..	..	..
1968	97·2	111·2	96·0	102·6	91·5†	95·5	94·7	97·8
1969	99·8	104·0	99·6	101·9	96·0	98·2	100·1†	99·9
1970	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100 0
1971	100·5†	100·0	99·7†	103·0	103·9	102·7	98·6	99·2
1972	102·7	84·1	102·4	104·4†	111·4	109·9	96·4	101·1
1973	110·3†	92·6	111 0	107 5	118·1	118·9†	104·5	109·4†
1974	106·4	78·8†	108·2	98·2	118·6	116·6	103·5	104 8
1975	101·2	86·0	101·7	93·5	120·4	111·0	100·6	98·1
1970 *3*	100·4†	100·9†	100·1†	101·8	100·1†	99·7†	99·8†	100·7†
4	100·5	93·6	100·8	100·9	99·3	101·7	100·5	99·4
1971 *1*	99·9	104·0	99·3	101·8	100·0	100·6	98·5	99·5
2	101·0	103·7	100·2	102·9	104·3	102·0	100·8	99·7
3	100·7	101·4	99·9	102·3	105·2	103·8	98·4	99·4
4	100·4	90·8	99·4	105·1	106·0	104·4	96·8	98·2
1972 *1*	97·6	46·3	98·0	105·3†	103·5	105·4	94·7	90·9
2	103·3	97·1	101·9	106·2	114·8	108·5	96·1	103·3
3	103·8	96·0	103·0	103·9	115·5	111·3	95·7	104·0
4	106·1	97·1	106·7	102·4	111·8	114·4	99·3	106·4
1973 *1*	110·4	99·0	110·5	109·9	116·1	117·3	104·5	109·8
2	109·9	95·5	110·6	106·7	116·8	118·8	103·2	109·6
3	110·6	93·8	111·5	107·2	116·8	120·1	104·8	109·5
4	110·3	82·0	111·3	106·1	122·9	119·7	105·5	108·9
1974 *1*	104·3	53·3	107·0	101·7	109·0	116·1	100·8	99·6
2	108·2	86·1	110·1	100·0	116·0	118·5	103·9	107·4
3	108·2	88·0	109·9	97·7	123·1	117·3	105·3	108·3
4	104·9	87·7	106·0	93·6	126·3	114·3	103·9	103·9
1975 *1*	104·7	87·3	106·1	93·4	122·3	115·4	103·8	102·5
2	100·3	85·4	100·5	93·8	119·2	109·6	101·0	96·2
3	99·6	84·4	99·7	94·4	116·7	109·6	99·2	95·0
4	100·4	86·8	100·4	92·5	123·4	109·4	98·5	98·5
1976 *1*	101·9	88·0	101·8	93·4	126·5	109·6	98·3	102·2
2	102·1	89·8	103·2	90·8	121·0	110·6	99·2	102·5
3	101·6	87·4	102·6	91·5	119·6	111·9	97·5	101·4
4								
1975 *J*	100·0†	84	100·2†	..	117†	110	100	95
A	98·4	84†	98·5	..	114	108	98†	93
S	100·3	85	100·4	..	119	110	99	97†
O	100·6	87	100·7	..	123	109	99	99
N	100·7	87	100·9	..	123	110†	99	99
D	99·8	86	99·5	..	125	109	97	98
1976 *J*	101·2	90	101·7	..	118	109	98	101
F	102·5	88	102·0	..	133	110	99	103
M	102·0	86	101·8	..	129	110	98	102
A	102·1	90	102·9	..	123	111	100	102
M	104·3	90	106·1	..	120	113	101	106
J	100·0	89	100·4	..	120	109	97	99
J	101·7	85	103·0	..	118	113	99	100
A	100·8	88	101·7	..	118	110	96	101
S	102·4	89	103·2	..	123	113	97	103
O	102·5	91	103·3	..	120	112	98	103
N								
D								

[1] All industries other than construction.


1970=100, seasonally adjusted
By industry
Share of industrial production 1970
Mining and quarrying
Gas, electricity and water
Manufacturing
Construction
Manufacturing industry
All industries
115
110
105
100
95
1971
1972
1973
1974
1975
1976
By market sector
Share of industrial production 1970 (excluding construction)
Consumer goods industries
Intermediate goods industries
Investment goods industries
Consumer goods industries
Intermediate goods industries
Investment goods industries
125
120
115
110
105
100
95
90

Index numbers of output

Seasonally adjusted

1970 = 100

	Gross domestic product (based on output data)[1] §	Agriculture, forestry and fishing	Industrial production[2] §	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*438*	*85*	*104*	*343*
1965	89·3	91	89·1	85	91	90
1966	90·9	91	90·6	88	92	92
1967	92·5	94	91·7	89	94	95
1968	96·3	94	97·2	92	97	96
1969	98·2	95	99·8	96	98	97
1970	100·0	100	100·0	100	100	100
1971	101·5	106	100·4	101	101	103
1972	104·5	108	102·7	106	107	106
1973	110·3	111	110·2	114	114	109
1974	109·4	116	106·3	114	113	111
1975	107·1	109	101·0	113	110	113
1970 *3*	100·5	102	100·5	100	100	100
4	100·6	102	100·5	101	100	101
1971 *1*	100·2	102	100·0	99	99	101
2	101·4	105	100·9	101	101	102
3	102·0	108	100·7	102	102	103
4	102·4	108	100·2	104	103	104
1972 *1*	101·3	109	97·6	102	104	105
2	104·6	108	103·3	105	106	106
3	105·2	108	104·0	106	108	106
4	106·8	108	106·0	108	111	107
1973 *1*	110·4	109	110·1	112	115	109
2	109·7	109	109·7	114	112	108
3	110·7	113	110·7	115	114	109
4	110·6	114	110·1	116	115	109
1974 *1*	107·3	114	104·0	113	113	110
2	109·9	115	108·0	114	110	110
3	111·0	116	108·4	115	114	111
4	109·5	117	105·0	115	114	111
1975 *1*	109·3	115	104·4	115	113	112
2	106·9	112	100·1	114	111	113
3	106·0	107	99·4	112	108	113
4	106·3	103	100·3	112	108	113
1976 *1*	107·8	104	101·5	112	110	114
2	108·0	109	102·2	114	110	114
3	108·4[3]					
4						

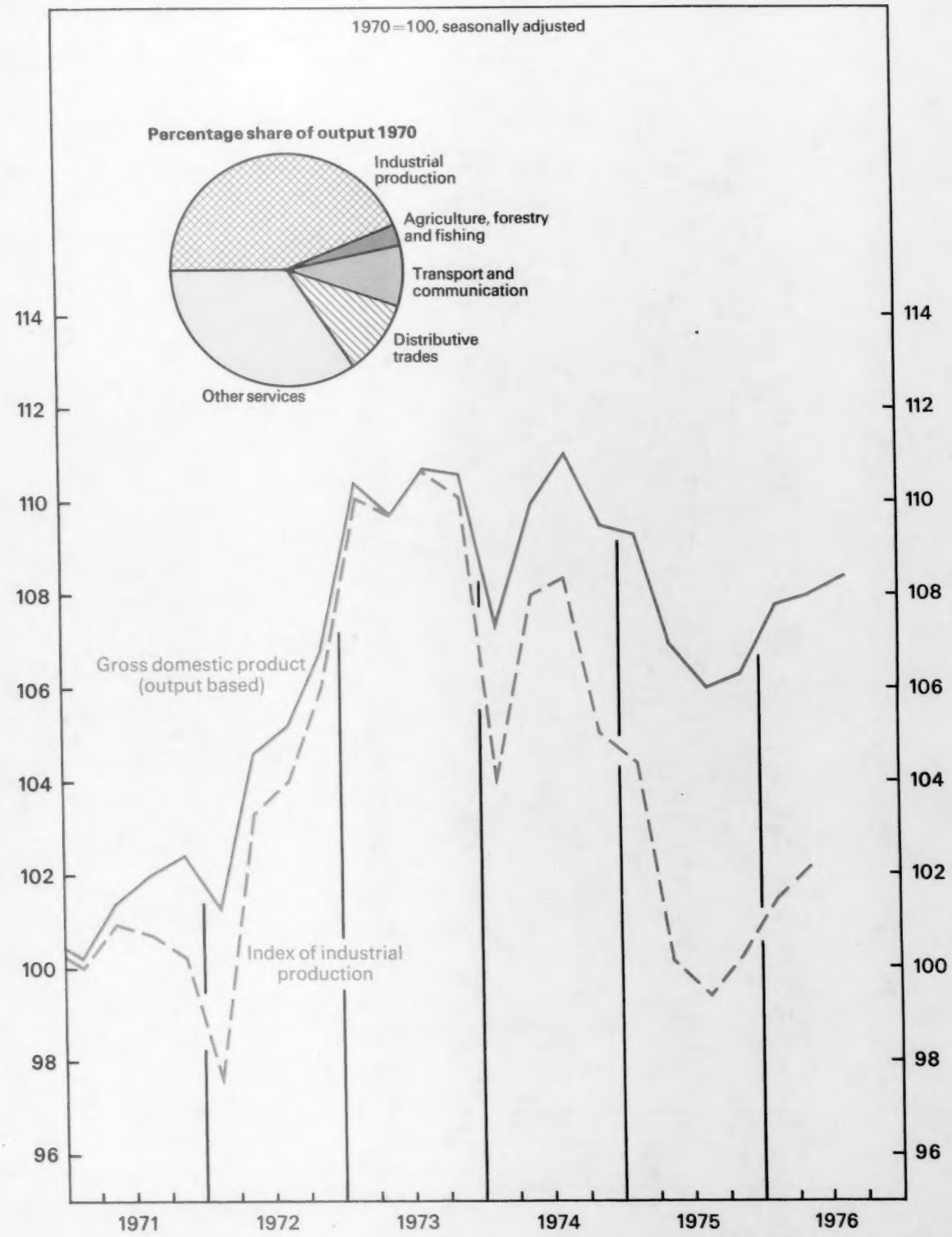
Percentage change, quarter on corresponding quarter of previous year

1974 *1*	−2·8	+ 4·7	−5·5	+0·6	−2·3	+0·8
2	+0·2	+ 5·1	−1·5	−0·2	−1·6	+1·9
3	+0·3	+ 2·6	−2·1	—	+0·1	+1·8
4	−1·0	+ 2·6	−4·6	−0·9	−0·5	+2·1
1975 *1*	+1·9	+ 0·4	+0·4	+1·9	+0·5	+2·5
2	−2·7	− 2·3	−7·3	−0·3	+0·5	+2·2
3	−4·5	− 7·3	−8·3	−2·7	−5·6	+2·2
4	−2·9	−12·1	−4·5	−2·3	−5·4	+1·4
1976 *1*	−1·4	− 9·7	−2·8	−2·5	−2·5	+1·5
2	+1·0	− 3·1	+2·1	−0·1	−1·0	+1·1
3	+2·3					
4						

[1] As from 1970 the gross domestic product is shown adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. The industrial production index is not adjusted for this effect.

[2] This series may not be fully consistent with that shown on page 26 which includes the latest information.

[3] Preliminary estimate.


1970=100, seasonally adjusted
Percentage share of output 1970
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Gross domestic product (output based)
Index of industrial production
114
112
110
108
106
104
102
100
98
96
1971
1972
1973
1974
1975
1976

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

	Engineering industries[1]							Construction (GB)	
	Total			Home market		Export			
	Sales	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Output[2]	Orders received[3,4]
	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	1970=100	1970=100
1965	..	..	..	..	..	..	..	92·0	107·4
1966	..	..	..	..	..	..	..	93·7	102·4
1967	..	..	..	..	..	..	..	100·1	118·1
1968	..	..	..	..	..	..	..	102·3	108·7
1969	97	101	100	102	99	100	102	101·9	102·6
1970	100	100	99	100	99	100	100	100·0	100·0
1971	101	93	97	95	98	89	93	102·9	107·3
1972	101	99	103	103	108	90	91	104·9	113·6
1973	113	133	134	134	136	131	131	107·6	108·9
1974	111	128	109	123	105	139	118	98·8	81·0
1975	108	99	90	91	87	113	98	93·2	78·9
1970 *3*	102	102	98	101	99	103	97	101·8	100·5
4	100	100	97	100	98	100	95	100·8	95·1
1971 *1*	100	98	95	98	95	99	95	101·7	102·6
2	101	94	92	94	92	94	91	102·8	107·5
3	103	94	100	94	101	92	98	102·2	106·9
4	100	93	99	95	104	89	88	105·0	112·2
1972 *1*	99	97	100	100	106	91	85	106·0	111·0
2	101	96	100	100	104	90	92	106·6	118·4
3	102	96	101	100	108	89	84	104·2	105·0
4	104	99	111	103	114	90	103	102·7	120·1
1973 *1*	112	106	128	111	133	96	116	110·2	118·3
2	112	113	131	118	134	104	122	106·8	108·6
3	113	125	144	128	145	118	141	107·2	112·6
4	114	133	135	134	131	131	144	106·2	96·0
1974 *1*	108	136	117	133	109	142	135	102·2	75·2
2	112	138	117	133	112	148	128	100·4	74·6
3	114	134	106	130	106	144	105	98·1	88·7
4	112	128	97	123	94	139	104	94·5	85·6
1975 *1*	112	119	89	114	89	128	89	93·4	76·4
2	109	113	95	108	92	124	102	93·5	78·1
3	107	106	90	100	86	118	101	93·1	82·5
4	103	99	85	91	80	113	98	92·7	78·6
1976 *1*	103	94	91	88	89	106	95	93·4	85·7
2	106	90†	95	84	90†	102†	106†	90·7	92·6
3	105	90	107	82	96	108	133	87·3[5]	79·0[5]
4									
1975 *A*	112	116	94	111	94	126	95	..	80·8
M	107	115	100	110	94	126	114	..	68·7
J	106	113	90	108	86	124	98	..	84·7
J	109	109	84	104	77	121	99	..	86·2
A	102	108	93	102	84	121	115	..	78·5
S	109	106	94	100	96	118	88	..	82·9
O	107	103	84	96	79	116	96	..	87·5
N	103	101	85	94	83	113	89	..	74·4
D	100	99	87	91	77	113	110	..	73·9
1976 *J*	102	96	80	89	82	109	76	..	76·0
F	101	95	95	89	94	107	99	..	88·0
M	106	94	97	88	92	106	110	..	93·2
A	108	92	93	86	91	103	99†	..	110·2
M	107	90	93	84	89	102†	104	..	85·8
J	102†	90†	98†	84	92	102	115	..	81·7
J	103	89	102	82	83†	105	148	..	82·1†
A	103	89	102	81	95	106	121	..	80·8
S	108	90	116	82	110	108	131	..	74·1[5]

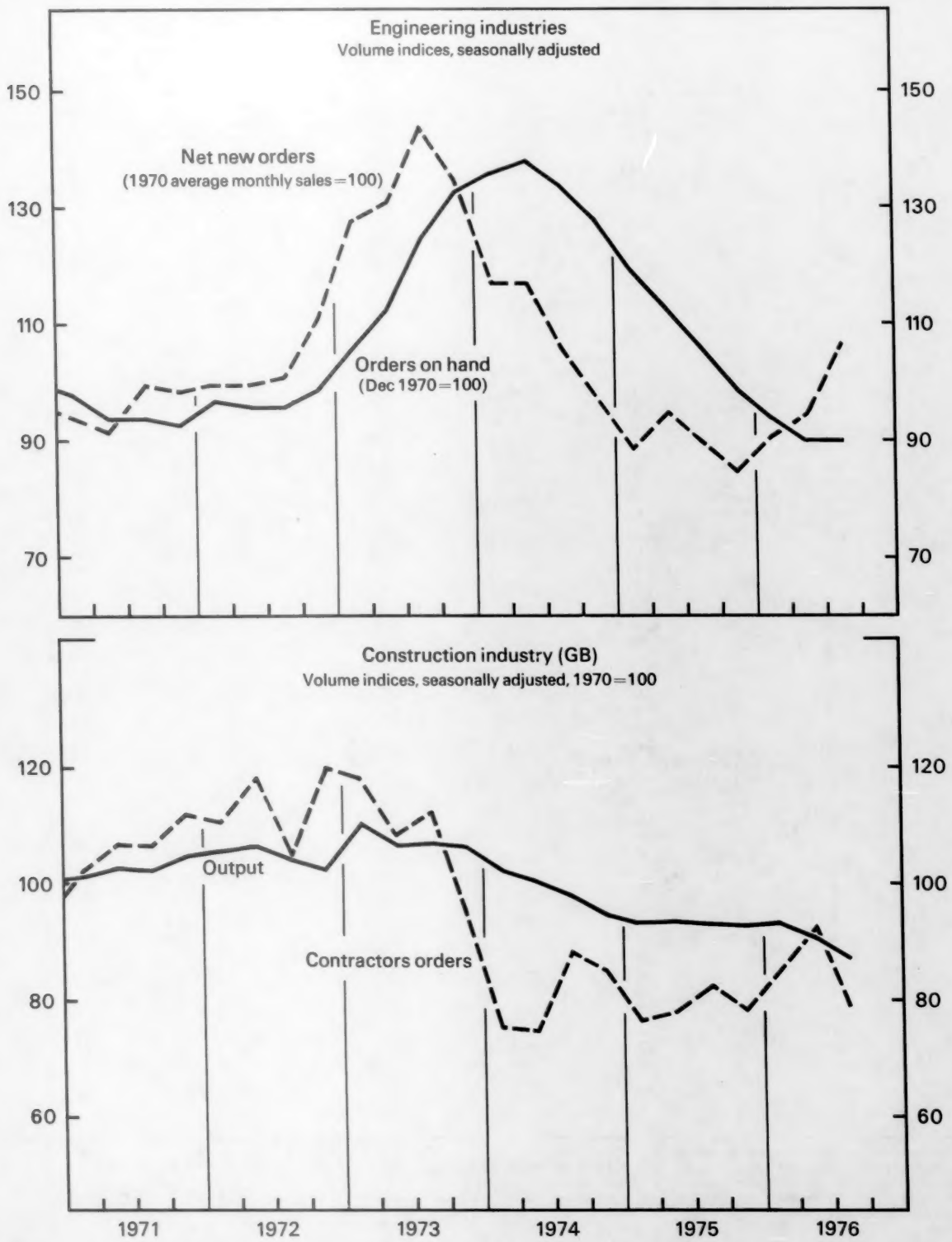
[1] Mechanical instrument and electrical engineering (SIC Orders VII VIII and IX).

[2] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.

[3] New orders from July 1974 include orders received by firms mostly small which have now been added to the statistical register. An allowance has been made in the index calculation for this small element of discontinuity.

[4] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.

[5] Provisional.

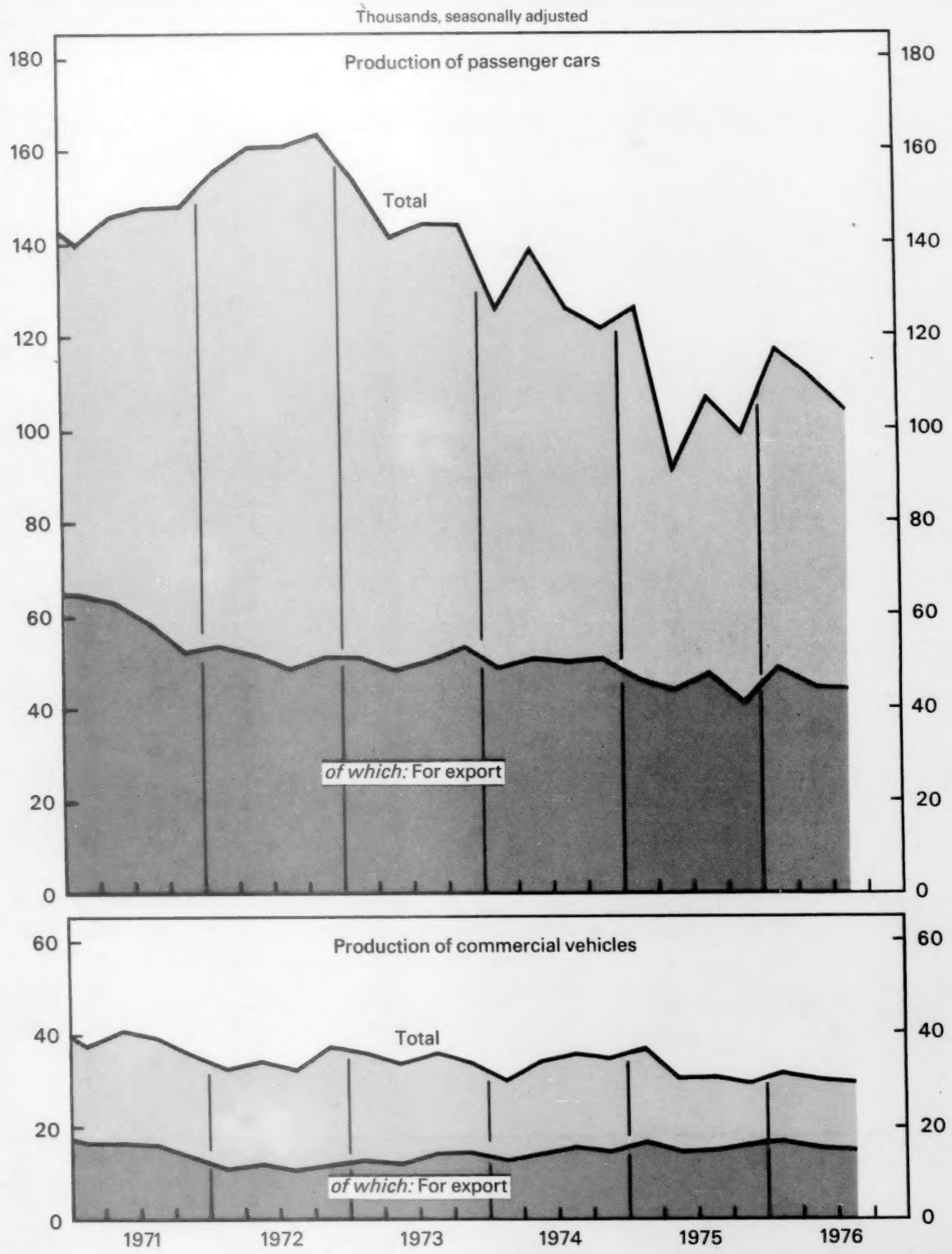

Engineering industries
Volume indices, seasonally adjusted
150
130
110
90
70
Net new orders
(1970 average monthly sales = 100)
Orders on hand
(Dec 1970 = 100)
Construction industry (GB)
Volume indices, seasonally adjusted, 1970 = 100
120
100
80
60
Output
Contractors orders
1971
1972
1973
1974
1975
1976

Motor vehicle production and steel production and consumption

Seasonally adjusted

	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*[2]	*of which:* For export	Total	*Percentage change on year earlier*[2]	*of which:* For export	Crude steel production[3,4]	Finished steel consumption
1965	143·5	*– 7·8*	54·4	37·9	*– 2·0*	14·5	27,440	16,893
1966	133·6	*– 6·9*	52·1	36·6	*– 3·6*	14·8	24,706	16 466
1967	129·3	*– 3·2*	47·0	32·1	*–12·2*	11·6	24 279	15,840
1968	151·3	*+17·1*	66·9	34·1	*+ 6·3*	12·5	26,277	16,835
1969	143·1	*– 7·2*	68·7	38·8	*+11·7*	16·1	26,846	17,782
1970	136·7	*– 4·4*	60·2	38·1	*+ 0·1*	15·8	27·780[5]	17,637[5]
1971	145·2	*+ 6·2*	59·5	38·0	*– 0·3*	15·7	24,174	16,722
1972	160·1	*+10·3*	51·1	34·0	*–10·6*	11·3	25,321	16,750
1973	145·6	*– 9·1*	50·4	34·7	*+ 2·1*	13·3	26,649	18,445
1974	127·8	*–12·2*	49·7	33·5	*– 3·4*	14·2	22,323	17,548
1975	105·6	*–17·4*	44·3	31·7	*– 5·4*	15·5	19,789	15,446[5]
1971 *3*	147·6	*+26·3*	58·7	39·1	*+25·1*	16·1	6,411	4,067
4	147·8	*+ 1·5*	51·9	35·6	*–15·9*	13·5	5,561	3,977
1972 *1*	155·4	*+11·3*	53·6	32·4	*–12·6*	11·0	5,228	3,933
2	160·7	*+10·3*	51·4	34·1	*–15·5*	12·0	6·519	4,043
3	160·9	*+ 9·0*	48·5	32·2	*–17·5*	10·6	6 732	4,275
4	163·4	*+10·6*	51·0	37·3	*+ 4·8*	11·6	6,875	4,499
1973 *1*	153·8	*– 1·0*	50·8	35·8	*+10·6*	12·7	6,671	4,667
2	140·9	*–12·3*	47·7	33·6	*– 1·5*	12·1	6,415	4,368
3	144·0	*–10·5*	49·9	35·8	*+10·9*	13·9	6,954	4,599
4	143·8	*–12·0*	53·3	33·7	*– 9·6*	14·3	6,649	4,811
1974 *1*	125·2	*–18·6*	48·4	29·9	*–16·4*	12·7	5,218	4,357
2	139·0	*– 1·4*	50·3	33·8	*+ 0·6*	14·0	5,784	4,560
3	125·9	*–12·6*	49·8	35·7	*– 0·1*	15·4	5,763	4,252
4	121·4	*–15·6*	50·2	34·7	*– 3·1*	14·7	5·599	4,379
1975 *1*	126·0	*+ 1·0*	45·8	36·9	*+23·4*	16·5	6,102	4,267
2	90·9	*–34·6*	43·5	30·2	*–10·6*	14·6	4,661	3,695
3	106·9	*–15·1*	47·2	30·3	*–15·2*	14·9	4,231[6]	3,715[6]
4	98·8	*–18·6*	40·9	29·5	*–15·2*	16·1	4,719	3,769
1976 *1*	117·2	*– 7·0*	48·4	31·8	*–13·9*	17·0	5,480	4,074
2	111·5	*+22·7*	44·5	30·4	*+ 0·5*	15·6	5,715	3,884
3	104·3	*– 2·4*	44·3	29·8	*– 1·6*	15·0	5,375	
4								
1975 *A*	113·5	*–11·6*	49·0	33·1	*– 4·2*	15·3	2,014[7]	..
M	68·3	*–54·5*	34·0	30·0	*–11·6*	14·4	1,309	..
J	90·8	*–34·3*	47·6	27·7	*–16·0*	14·1	1,338	..
J	104·0	*–24·5*	47·6	30·0	*–17·8*	15·0	1,510[7]	..
A	96·1	*–31·1*	45·8	29·7	*–18·9*	15·3	1,332	..
S	120·5	*+20·1*	48·3	31·1	*– 8·5*	14·5	1,714[7]	..
O	92·8	*–21·4*	35·7	29·6	*–11·2*	15·7	1,502	..
N	100·7	*–21·1*	43·1	29·2	*–20·7*	16·1	1,516	..
D	102·9	*–13·0*	43·8	29·6	*–13·0*	16·6	1,701[7]	..
1976 *J*	96·8	*–22·2*	41·4	29·6	*–11·4*	17·2	1,575	..
F	133·6	*– 6·0*	53·9	33·3	*–13·6*	17·3	1,731	..
M	121·2	*+ 8·6*	49·9	32·5	*– 4·8*	16·6	2,174[7]	..
A	103·7	*– 8·6*	39·8	29·8	*– 9·7*	15·4	1,747	..
M	122·0	*+78·7*	48·2	32·4	*+ 8·1*	16·5	1,840	..
J	108·6	*+19·6*	45·4	28·9	*+ 4·5*	15·1	2,127[7]	..
J	132·8	*+27·7*	51·0	3·33	*+11·0*	16·2	1,700	..
A	79·9	*–16·9*	38·2	26·5	*–10·6*	13·8	1,603	..
S	100·3	*–16·8*	43·7	29·5	*– 5·2*	15·1	2,072†	..
O	109·4	*+17·9*	47·1	29·9	*+ 0·9*	14·9	1,713	..
N								
D								

[1] Monthly averages or standardised calendar months.
[2] To take account of the occurrence of 53-week years in 1964 and 1969, the average weekly number of vehicles produced in each year has been used to calculate the percentage changes shown for the annual figures.
[3] From January 1974 the totals are for 'useable steel' in accordance with the system used by EEC and the International Iron and Steel Institute.
[4] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[5] 53-week period; reduced to 52-week basis for comparison purposes.
[6] 14-week period; reduced to 13-week basis for comparison purposes.
[7] Five-week periods.


Thousands, seasonally adjusted
Production of passenger cars
Total
of which: For export
Production of commercial vehicles
Total
of which: For export
180
160
140
120
100
80
60
40
20
0
1971
1972
1973
1974
1975
1976

Output per person employed

Seasonally adjusted

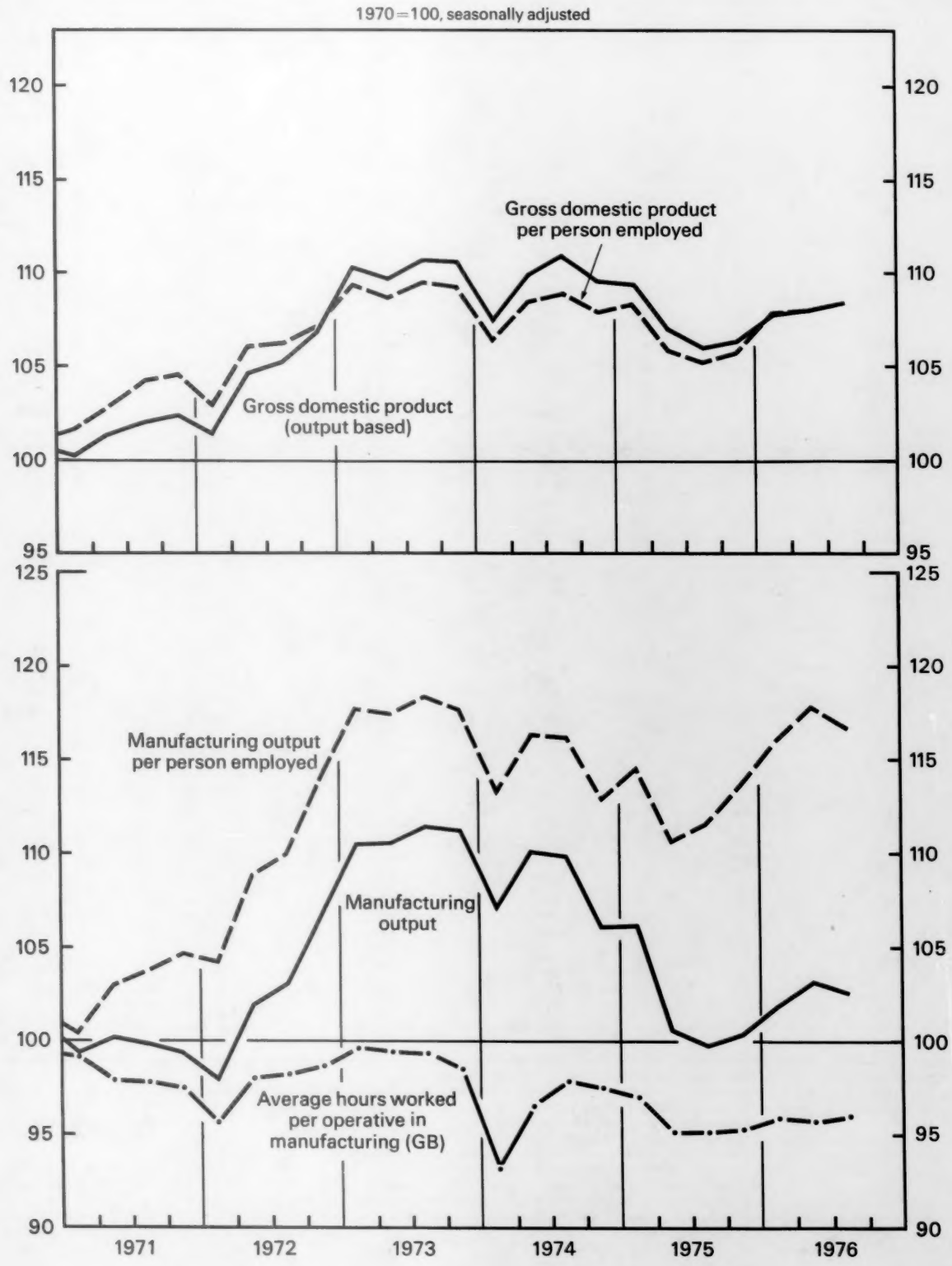
1970=100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1965	101·9	105·9	102·6	87·6	84·1	85·4
1966	102·2	105·6	102·6	89·0	85·8	86·9
1967	100·9	102·8	99·8	91·6	89·2	90·0
1968	100·4	101·4	99·0	95·9	95·9	97·0
1969	100·4	101·5	100·3	97·8	98·3	99·3
1970	100·0	100·0	100·0	100·0	100·0	100·0
1971	98·3	96·9	96·8	103·3	103·7†	103·0†
1972	99·0	94·6	93·7	105·6	108·6	109·3
1973	101·0	95·8	94·2	109·2	115·1	117·8
1974	101·4	95·6	94·4	107·9	111·3	114·6
1975	100·8	92·3[2]	90·3[2]	106·3	109·6	112·6
1970 *3*	99·9	99·8	99·9	100·6	100·6†	100·2†
4	99·7	99·2	99·4	100·9	101·3	101·4
1971 *1*	98·6	98·7	98·9	101·6	101·2	100·4
2	98·6	97·3	97·3	102·8	103·8	103·0
3	97·9	96·3	96·2	104·2	104·6	103·8
4	97·9	95·3	94·9	104·6	105·4	104·7
1972 *1*	98·5	94·6	94·0	102·8	103·2	104·3
2	98·6	94·5	93·7	106·1	109·3	108·8
3	99·1	94·5	93·6	106·2	109·8	110·0
4	99·7	94·7	93·4	107·1	112·0	114·2
1973 *1*	100·9	95·4	93·8	109·4	115·7	117·8
2	100·9	95·7	94·1	108·7	114·8	117·5
3	101·1	95·9	94·2	109·5	115·3	118·4
4	101·2	96·0	94·6	109·3	114·9	117·7
1974 *1*	100·9	95·8	94·4	106·3	108·9	113·3
2	101·3	95·7	94·6	108·5	113·1	116·4
3	101·8	95·7	94·6	109·0	113·1	116·2
4	101·5	95·0	93·9	107·9	110·4	112·9
1975 *1*	100·9	94·0	92·6	108·3	111·4	114·6
2	101·0	92·8	90·8	105·8	108·1	110·7
3[2]	100·8	91·5	89·3	105·2	108·9	111·6
4	100·5	90·7	88·3	105·8	110·7	113·7
1976 *1*	99·9	90·1	87·7	107·9	113·1	116·1
2	100·0	89·9	87·6	108·0	113·6	117·8
3		89·9	87·9		113·0	116·7
4						

Percentage change, quarter on corresponding quarter of previous year

1974 *3*	*+0·7*	*−0·2*	*+0·4*	*−0·5*	*−1·9*†	*−1·9*
4	*+0·3*	*−1·0*	*−0·7*	*−1·3*	*−3·9*	*−4·1*†
1975 *1*	—	*−1·9*	*−1·9*	*+1·9*	*+2·3*	*+1·1*
2	*−0·3*	*−3·0*	*−4·0*	*−2·5*	*−4·4*	*−4·9*
3	*−1·0*	*−4·4*	*−5·6*	*−3·5*	*−3·7*	*−4·0*
4	*−1·0*	*−4·5*	*−6·0*	*−1·9*	*+0·3*	*+0·7*
1976 *1*	*−1·0*	*−4·1*	*−5·3*	*−0·4*	*+1·5*	*+1·3*
2	*−1·0*	*−3·1*	*−3·5*	*+2·1*	*+5·1*	*+6·4*
3		*−1·7*	*−1·6*		*+3·8*	*+4·6*
4						

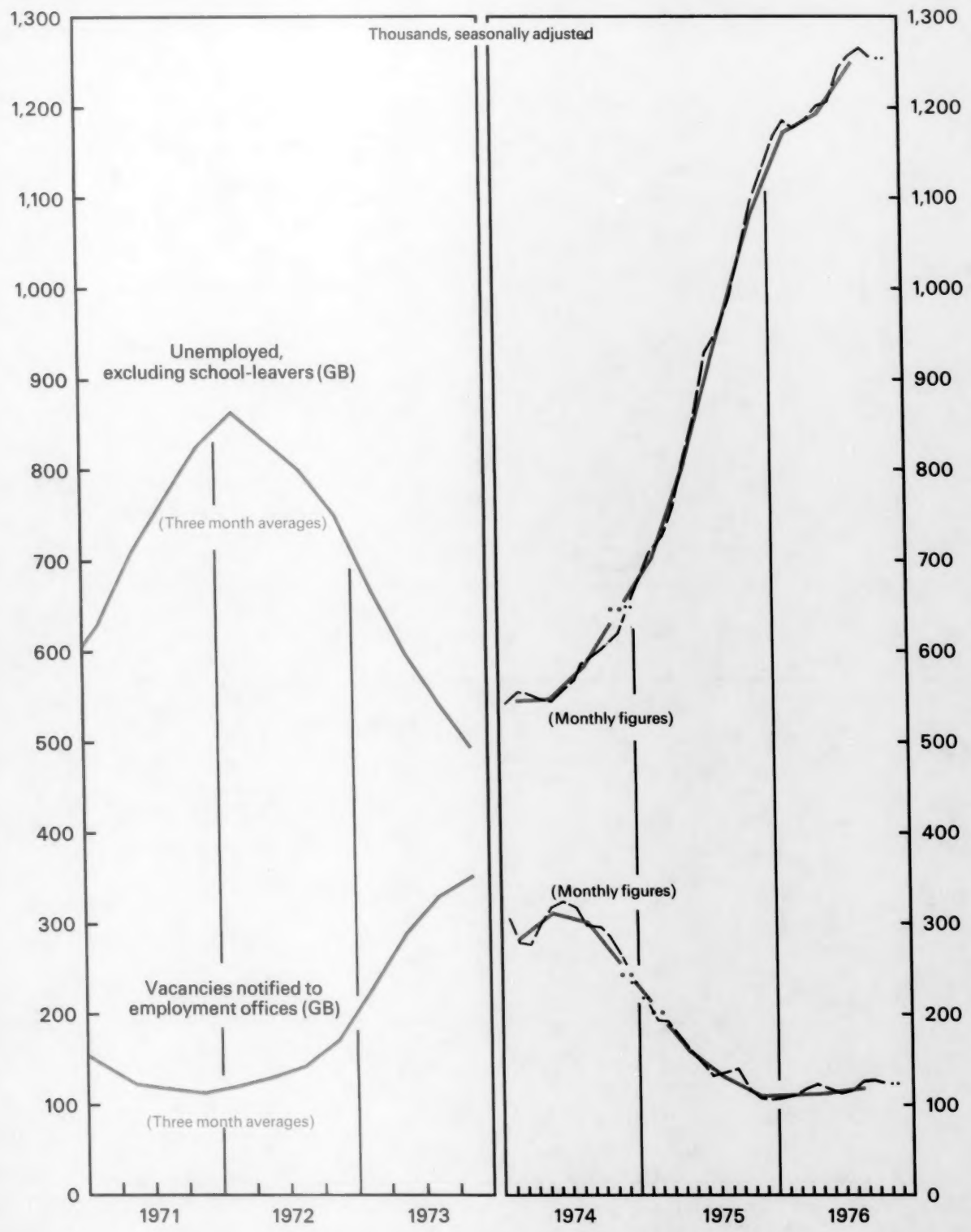
[1] The ratios do not take into account part-time working or hours of work.
[2] Figures after June 1975 are provisional.


1970=100, seasonally adjusted
120
115
110
105
100
95
Gross domestic product per person employed
Gross domestic product (output based)
125
120
115
110
105
100
95
90
Manufacturing output per person employed
Manufacturing output
Average hours worked per operative in manufacturing (GB)
1971
1972
1973
1974
1975
1976

National employment and unemployment

	United Kingdom						Great Britain				
	Unadjusted				Seasonally adjusted		Seasonally adjusted				
	Thousands										
	Employees in employment[2]	Total employed labour force[2]	Unemployed excluding adult students	Working population[2]	Unemployed excluding school-leavers§[1] Thousands	Unemployed excluding school-leavers§[1] Percentage rate[4]	Employees employed in manufacturing industries[2] 1970=100	Average hours worked per operative in manufacturing[3] 1970=100	Unemployed excluding school-leavers§[1] Thousands	Unemployed excluding school-leavers§[1] Percentage rate[4]	Vacancies notified to employment offices§ Thousands
1965	23,080	25,199	299	25,498	338·2	1·4	102·8	102·5	308·4	1·3	265·1
1966	23,253	25,351	281	25,632	353·3	1·5	103·1	100·8	323·4	1·4	254·8
1967	22,808	24,987	503	25,490	547·2	2·3	99·9	100·1	509·8	2·2	174·0
1968	22,650	24,836	542	25,378	574·4	2·4	99·0	100·9	538·4	2·3	188·0
1969	22,619	24,852	518	25,370	566·3	2·4	100·3	101·0	530·7	2·3	199·6
1970	22,471	24,745	555	25,300	602·0	2·6	100·2	100·0	567·8	2·5	185·8
1971	22,122	24,399	724	25,123	775·8	3·4	96·8	98·1	737·0	3·3	129·0
1972	22,120	24,390	804	25,194	845·9	3·7	93·4	97·6	815·9	3·6	145·3
1973	22,662	24,970	575	25,545	611·0	2·6	94·1	99·5	580·7	2·6	303·9
1974	22,790	25,060	542	25,602	599·2[5]	2·6[5]	94·5	96·7	570·9[5]	2·5[5]	298·0[5]
1975	22,707	24,968	866	25,834	929·0	3·9	89·9	95·7	890·3	3·9	145·0[6]
1972 *1*	22,030	24,303	967	25,270	910·1	4·0	93·5	95·6	869·1	3·9	124·2
2	22,120	24,390	804	25,194	879·0	3·8	93·4	98·0	838·1	3·7	133·4
3	22,253	24,538	862	25,400	841·0	3·7	93·3	98·2	802·6	3·6	147·1
4	22,387	24,682	780	25,462	789·4	3·4	93·2	98·6	753·6	3·4	176·2
1973 *1*	22,583	24,885	717	25,602	705·6	3·0	93·9	99·6	671·9	3·0	230·8
2	22,662	24,970	575	25,545	634·7	2·7	94·1	99·4	603·2	2·7	293·4
3	22,752	25,052	556	25,608	578·8	2·5	94·0	99·3	549·6	2·4	333·0
4	22,773	25,604	512	25,576	524·7	2·3	94·7	98·5	497·8	2·2	357·3
1974 *1*	22,617	24,897	618	25,514	577·1	2·5	94·2	93·1	549·5	2·4	288·4
2	22,790	25,060	542	25,602	577·4	2·5	94·5	98·5	550·2	2·4	314·6
3	22,935	25,207	650	25,857	613·7	2·6	94·4	97·8	584·8	2·6	304·6
4	22,871	25,139	..[7]	..[7]	..[7]	..[7]	93·4	97·5	..[7]	..[7]	..[7]
1975 *1*	22,629	24,892	803	25,695	737·9	3·1	91·9	97·0	705·9	3·1	..[7]
2	22,707	24,968	866	25,834	847·4	3·6	89·9	95·1	811·2	3·5	161·3
3					1,000·0	4·2	88·8[8]	95·1	959·0	4·2	130·9
4					1,132·1	4·8	87·8	95·2	1,086·5	4·7	111·2
1976 *1*					1,223·2	5·2	87·4	95·8	1,175·6	5·1	113·3
2					1,246·5	5·3	87·6	95·7	1,197·0	5·2	117·4
3					1,307·5	5·5	87·8	96·0	1,254·8	5·4	122·6
4											
1975 *O*	..	..	..	..	1,088·7[9]	4·6[9]	88·4	94·9	1,043·5[9]	4·5[9]	116·5[10]
N	..	..	..	..	1,133·0	4·8	88·0	94·8	1,087·2	4·7	109·4
D	..	..	..	..	1,164·6	5·0	87·8	95·9	1,128·8	4·9	107·8
1976 *J*	..	..	..	..	1,210·5	5·1	87·6	95·7	1,163·5	5·0	108·8
F	..	..	..	..	1,234·4	5·2	87·5	95·8	1,184·8	5·1	111·2
M	..	..	..	..	1,226·6	5·2	87·4	95·8	1,178·6	5·1	119·9
A	..	..	..	..	1,233·7	5·2	87·3	95·7	1,185·7	5·1	121·8
M	..	..	..	..	1,250·0	5·3	87·3	95·7	1,200·4	5·2	118·4
J	..	..	..	..	1,255·7	5·3	87·6	95·7	1,205·0	5·2	112·0
J	..	..	..	..	1,294·6	5·5	87·8	95·9	1,242·8	5·4	115·4
A	..	..	..	..	1,309·4	5·6	87·6	96·1	1,256·5	5·5	125·7
S	..	..	..	..	1,318·6	5·6	87·8	96·1	1,265·0	5·5	126·7
O					1,305·4	5·5		..[11]	1,253·1	5·4	124·3
N					..[11]	..[11]			..[11]	..[11]	..[11]
D											

[1] Excludes adult students registered for temporary employment during a current vacation.
[2] From 1971, the employees in employment estimates are based on an annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. [3] The annual figures are the averages of the *unadjusted* monthly figures. [4] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): The latest figure available is that for mid-1975.
[5] The figures shown for 1974 are averages of eleven months seasonally adjusted monthly figures.
[6] The figure for 1975 is an average of eleven months seasonally adjusted monthly figures. [7] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975. [8] Estimates after June 1975 are provisional.
[9] From October 1975 the day of the unemployment count was changed from Monday to Thursday. Adjustments to the total unemployed to take into account amendments, in respect of the numbers unemployed on the statistical date, notified during the four days following the date of the count were discontinued. See *Department of Employment Gazette*, September 1975 page 906. [10] From October 1975 the day of the count, was changed from Wednesday to Friday. [11] Because of industrial action by some staff in the Department of Employment Group, figures are not available for these months.


Thousands, seasonally adjusted
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed, excluding school-leavers (GB)
(Three month averages)
(Monthly figures)
Vacancies notified to employment offices (GB)
(Three month averages)
(Monthly figures)
1971
1972
1973
1974
1975
1976

Regional unemployment rates[1]

Seasonally adjusted

Per cent

	North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1971 *1*	4·8	3·1	2·5	2·7	1·8	3·0	2·3
2	5·3	3·6	2·8	3·1	2·0	3·2	2·7
3	5·8	3·9	3·0	3·2	2·1	3·4	3·1
4	6·1	4·2	3·1	3·3	2·2	3·6	3·5
1972 *1*	6·4	4·4	3·2	3·3	2·3	3·7	3·8
2	6·1	4·2	3·1	2·9	2·2	3·5	3·7
3	6·0	4·0	2·9	2·7	2·1	3·2	3·4
4	5·7	3·7	2·7	2·5	1·9	3·0	3·1
1973 *1*	5·0	3·2	2·3	2·1	1·7	2·6	2·6
2	4·7	2·9	2·1	1·9	1·5	2·4	2·2
3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974 *1*	4·3	2·6	2·0	1·7	1·5	2·3	2·0
2	4·3	2·5	2·0	1·8	1·5	2·5	2·0
3	4·5	2·6	2·2	2·0	1·6	2·7	2·1
4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975 *1*	4·8	3·0	2·7	2·6	2·0	3·6	2·7
2	5·2	3·4	3·1	3·0	2·4	4·2	3·4
3	5·8	4·0	3·7	3·6	2·9†	4·8	4·3
4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976 *1*	6·5	5·0	4·4	4·5	3·8	6·0	5·4
2	6·8	5·1	4·4	4·6	3·9	6·0	5·3
3	7·1	5·3	4·7	4·8	4·2	6·2	5·6
4							

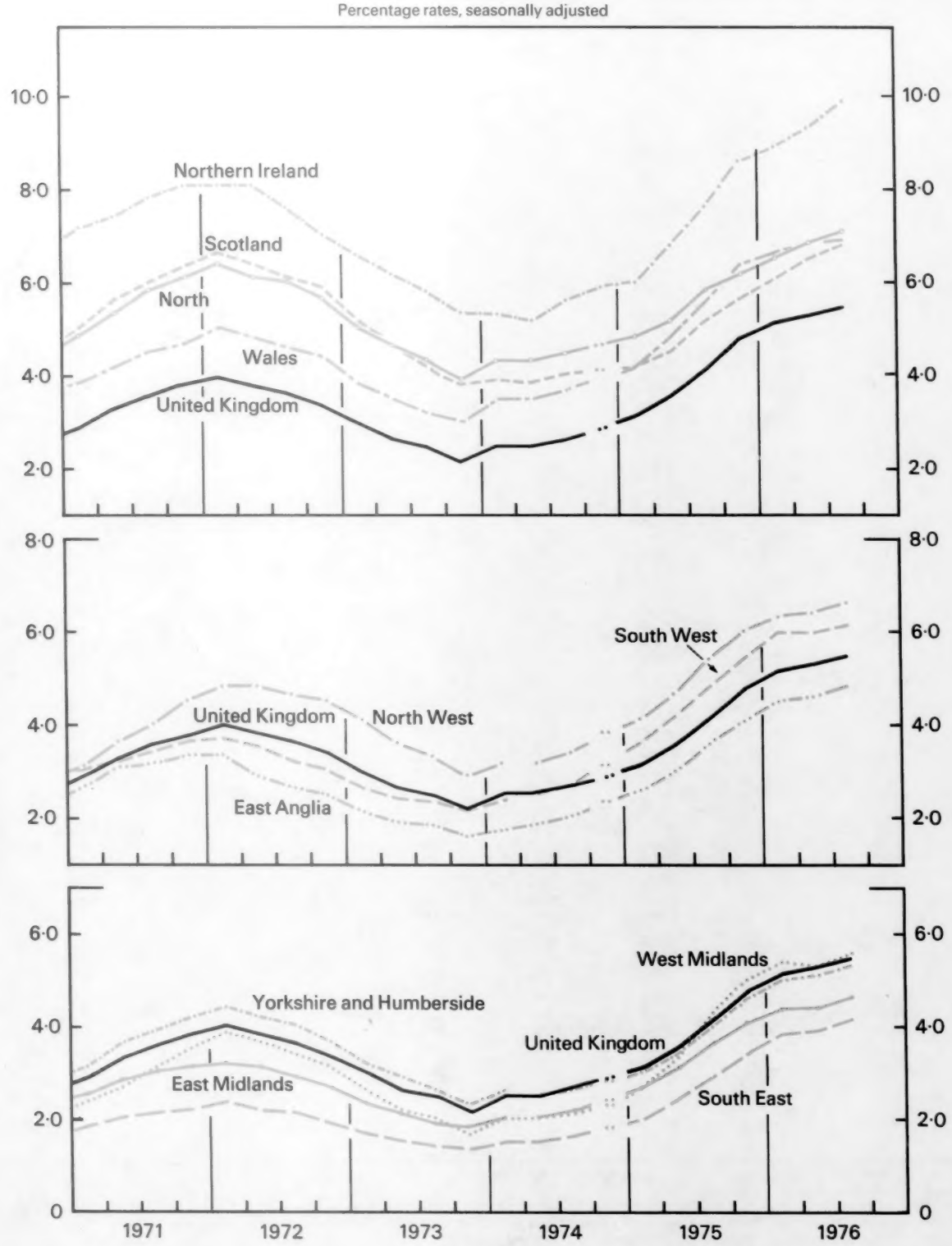
	North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1971 *1*	3·1	3·8	5·0	2·8	7·2	2·9
2	3·6	4·2	5·6	3·2	7·4	3·3
3	4·0	4·5	6·0	3·5	7·8	3·6
4	4·5	4·7	6·3	3·7	8·1	3·8
1972 *1*	4·8	5·0	6·6	3·9	8·1	4·0
2	4·8	4·8	6·4	3·7	8·1	3·8
3	4·7	4·6	6·1	3·6	7·6	3·7
4	4·5	4·4	5·9	3·4	7·0	3·4
1973 *1*	4·1	3·8	5·2	3·0	6·6	3·0
2	3·6	3·5	4·7	2·7	6·2	2·7
3	3·3	3·2	4·2	2·4	5·7	2·5
4	2·9	3·0	3·8	2·2	5·3	2·3
1974 *1*	3·2	3·5	3·9	2·4	5·3	2·5
2	3·2	3·5	3·8	2·4	5·2	2·5
3	3·4	3·7	3·9	2·6	5·6	2·6
4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975 *1*	4·1	4·2	4·2	3·1	6·0	3·1
2	4·7	4·8	4·5	3·5	6·8	3·6
3	5·4	5·6	5·2	4·2	7·7	4·2
4	6·0	6·4	5·7	4·7	8·6	4·8
1976 *1*	6·3	6·7	6·1	5·1	8·9	5·2
2	6·4	6·8	6·5	5·2	9·3	5·3
3	6·6	6·9	6·8	5·4	9·9	5·5
4						

[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1975.

[2] The boundaries of the standard regions were revised in April 1974.

[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

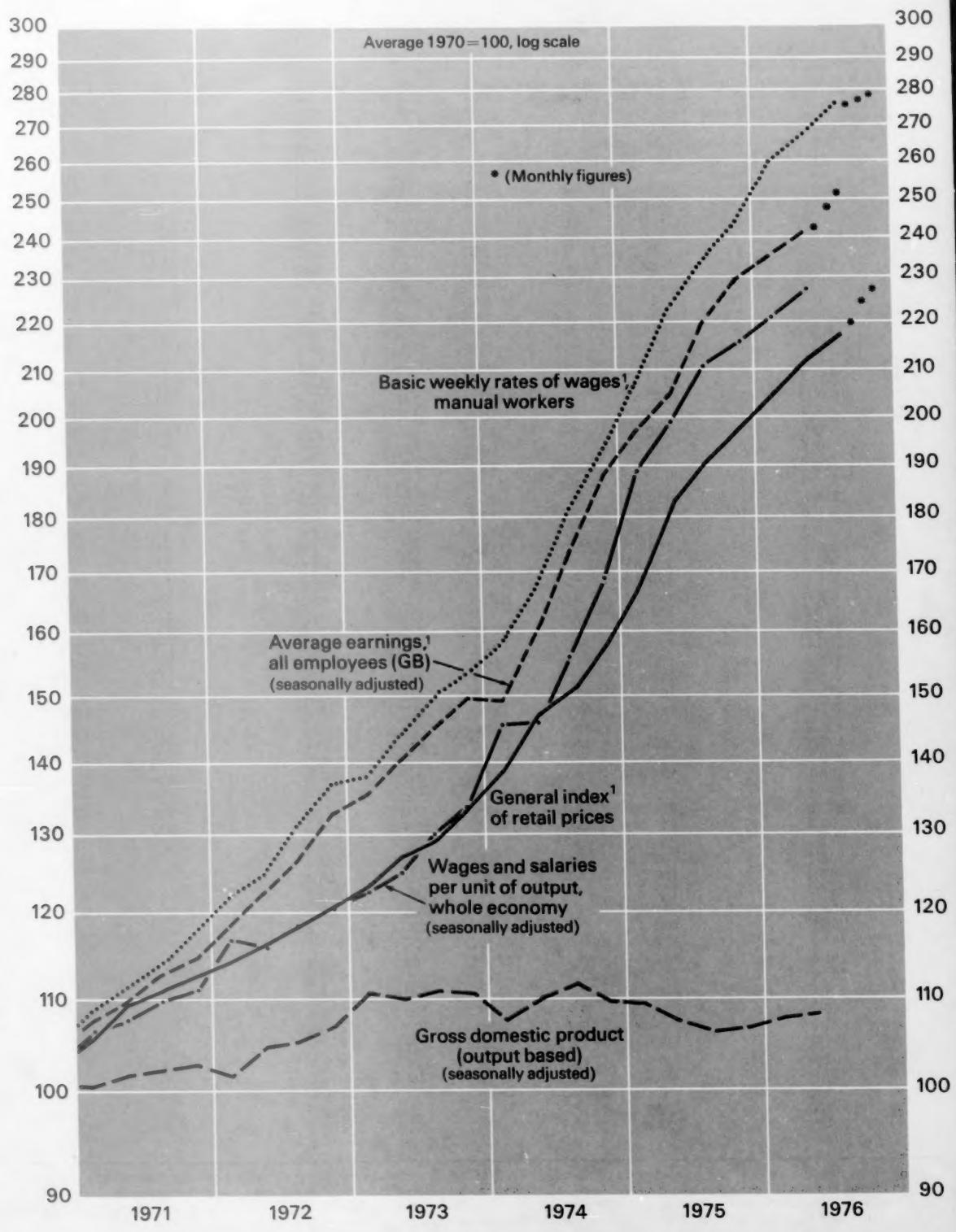
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted		Seasonally adjusted					
	31 July 1972=100[1]		January 1970=100				1970=100	
	Basic weekly wage rates (manual workers)		Average earnings (GB) (wages and salaries combined)				Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	All industries and services covered§	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1965	58·8	58·4	74·1	*7·1*	73·7	*6·8*	80·0	79·5
1966	61·5	61·2	79·0	*6·6*	78·3	*6·2*	84·1	82·9
1967	63·9	63·6	81·8	*3·6*	81·1	*3·6*	85·5	82·9
1968	68·1	68·4	88·2	*7·8*	87·8	*8·2*	87·4	83·1
1969	71·7	72·1	95·2	*7·8*	95·9	*8·1*	91·2	88·4
1970	78·8	79·4	106·7	*12·1*	107·0	*12·7*	100·0	100·0
1971	89·0	89·3	118·7	*11·3*	118·9	*11·2*	108·7	108·6
1972	101·3	101·5	134·1[2]	.. [3]	134·3[2]	.. [3]	117·7	112·9
1973	115·2	114·6	152·1	.. [3]	151·6	.. [3]	127·8	122·5
1974	138·0	134·3	178·8	*17·5*	177·1	*16·9*	153·7	149·1
1975	178·7	174·4	226·5	*26·7*	223·7	*26·3*	203·2	197·4
1971 *1*	85·8	86·4	114·9	*13·0*	115·1	*13·4*	106·4	107·5
2	87·6	88·4	117·1	*11·6*	117·4	*11·8*	107·8	107·9
3	89·8	90·0	120·4	*11·1*	120·4	*10·6*	109·7	109·2
4	92·8	92·1	122·5	*9·5*	122·8	*9·1*	110·8	109·9
1972 *1*	96·0	95·5	126·4[3]	.. [3]	126·8[3]	.. [3]	116·7	.. [3]
2	98·1	98·2	130·5	*11·4*	131·2	*11·7*	115·6	111·8
3	103·4	104·6	135·0	*12·1*	135·7	*12·7*	118·2	114·1
4	107·9	107·6	141·8	*15·8*	140·9	*14·8*	120·2	115·3
1973 *1*	108·7	108·1	144·0	.. [3]	143·7	.. [3]	122·2	115·6
2	113·4	111·7	149·6	*14·6*	148·9	*13·5*	124·9	120·3
3	118·1	117·8	154·7	*14·6*	153·7	*13·3*	130·0	124·1
4	120·6	120·7	159·8	*12·7*	160·0	*13·5*	133·9	130·1
1974 *1*	124·3	122·7	159·1[4]	*10·2*[4]	157·3[4]	*9·5*[4]	145·2	133·4
2	131·7	128·0	170·1	*13·7*	168·5	*13·2*	145·4	139·9
3	143·2	139·4	185·5	*19·9*	184·0	*19·7*	155·8	153·1
4	152·7	147·1	200·3	*25·4*	198·7	*24·2*	168·3	170·4
1975 *1*	162·7	155·1	209·6	*31·7*	207·3	*31·8*	188·5	179·4
2	175·3	171·9	218·1	*28·2*	214·6	*27·3*	198·2	192·5
3	184·3	180·5	234·5	*26·4*	230·7	*25·4*	210·6	205·6
4	192·6	190·1	243·9	*21·8*	242·3	*21·8*	215·3	212·4
1976 *1*	204·2	201·5	250·8	*19·7*	248·9	*20·0*	220·4	215·2
2	211·5	209·0	257·3	*18·0*	257·9	*19·8*	226·8	218·3
3	217·8†	212·5						
4								
1975 *J*	183·7	179·6	231·6	*27·6*	227·5	*26·5*	..	202·2
A	184·4	180·6	234·0	*25·9*	230·7	*25·5*	..	206·2
S	184·9	181·4	237·9	*25·8*	233·9	*24·3*	..	208·3
O	186·3	182·1	239·5	*24·9*	237·5	*24·3*	..	209·2
N	194·4	193·7	243·5	*21·3*	241·7	*20·9*		213·4
D	197·0	194·4	248·6	*19·3*	247·6	*20·7*	..	214·6
1976 *J*	200·9	197·7	248·8	*20·7*	246·4	*20·8*	..	215·4
F	205·1	203·1	249·7	*19·0*	247·6	*19·5*	..	214·6
M	206·7	203·8	254·0	*19·4*	252·7	*19·9*	..	215·5
A	208·8	206·8	253·8	*17·9*	253·2	*19·4*	..	215·7
M	210·5	209·1	259·8	*19·3*	259·5	*21·4*	..	218·2
J	215·3	211·2	258·3	*16·8*	158·4	*18·6*	..	220·9
J	217·7†	212·3	263·9	*13·9*	262·3	*15·3*	..	225·5
A	217·8	212·5	267·7[5]	*14·4*[5]	265·5[5]	*15·1*[5]	..	
S	217·9	212·7	.. [6]	.. [6]	.. [6]	.. [6]	..	
O	218·2	212·7	..	..	..	..	..	
N	219·3	213·3						
D								

[1] Prior to July 1972 the series was based on 31 January 1956=100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation. [5] Provisional.
[6] As a consequence of industrial action by certain Department of Employment staff, these figures are not yet available.



[1] Quarterly average of monthly figures

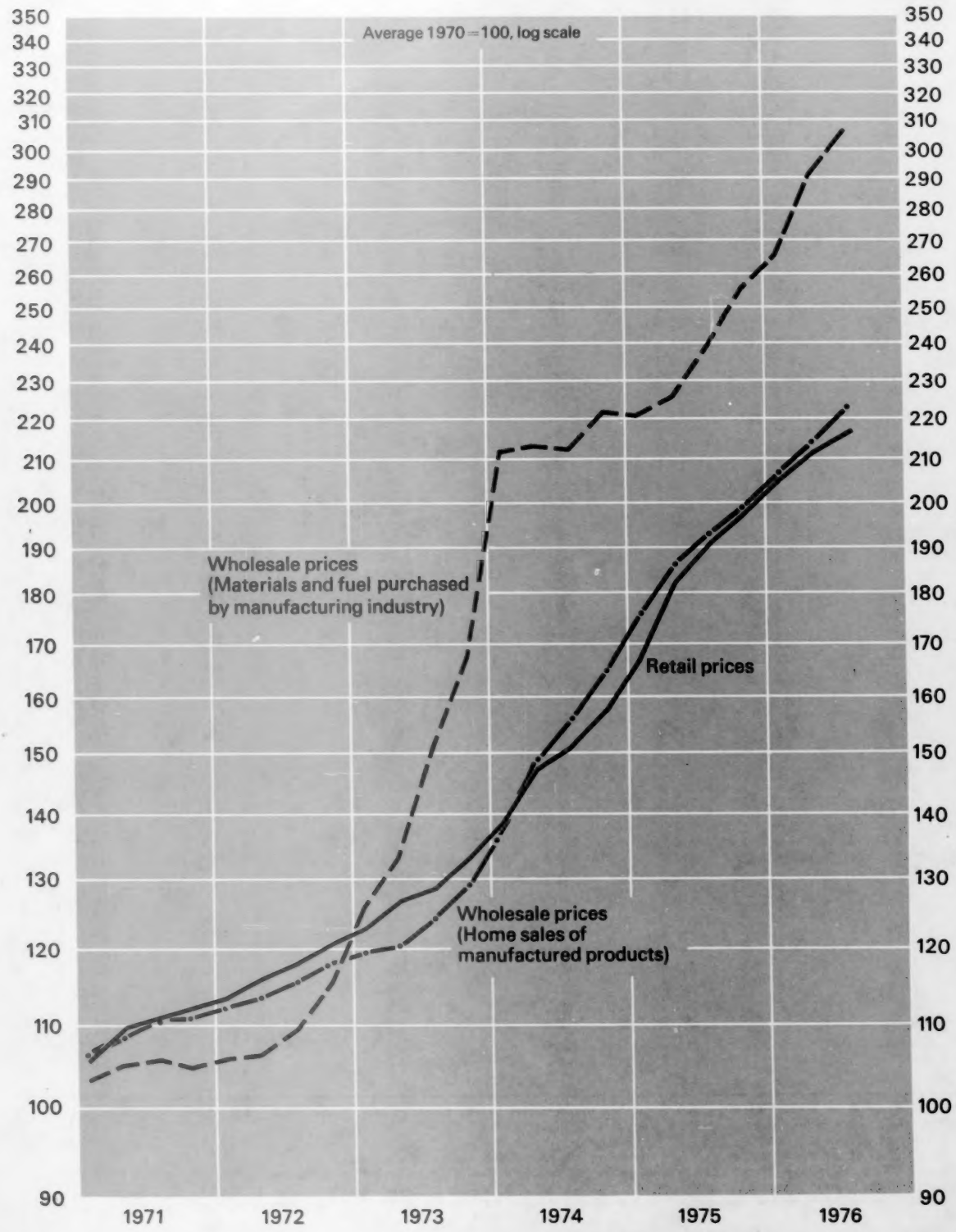
Prices

Unadjusted

Average 1970=100 | **Average 1970=100 p**

	Wholesale prices index		General index of retail prices						Pensioner price index[1]		
		Output	All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry[2]	All manufactured products Home sales[3]	Index	*Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1965	82·2	83·3	80·0	*4·8*	79·7	80·0	80·2	*4·7*	79·5	79·8	125
1966	84·2	85·6	83·1	*3·9*	82·5	83·3	83·2	*3·7*	83·0	83·0	120½
1967	83·8	86·5	85·2	*2·5*	84·6	85·4	85·2	*2·4*	84·9	85·0	117½
1968	91·5	89·9	89·2	*4·7*	87·9	89·6	89·3	*4·8*	88·8	88·8	112
1969	95·0	93·4	94·0	*5·4*	93·5	94·2	93·9	*5·2*	93·5	93·7	106½
1970	100·0	100·0	100·0	*6·4*	100·0	100·0	100·0	*6·5*	100·0	100·0	100
1971	104·6	109·0	109·4	*9·4*	111·1	108·9	109·5	*9·5*	110·1	109·9	91½
1972	109·2	114·8	117·2	*7·1*	120·9	116·0	117·0	*6·9*	118·5	118·0	85½
1973	144·5	123·2	128·0	*9·2*	139·1	124·4	126·7	*8·3*	130·0	130·1	78
1974	215·3	152·0	148·5	*16·1*	164·2	143·4	147·0	*16·0*	150·9	151·1	67½
1975	235·4	188·7	184·4	*24·2*	206·1	177·5	182·6	*24·2*	189·8	189·4	54
1970 *3*	99·8	100·9	100·6	*6·9*	100·4	100·7	100·8	*7·0*	100·1	100·2	99½
4	101·4	103·4	102·7	*7·7*	101·8	103·1	103·1	*8·0*	102·8	102·6	97
1971 *1*	103·0	106·3	105·5	*8·6*	105·6	105·4	105·6	*8·8*	105·9	105·8	95
2	104·9	108·7	109·3	*9·8*	111·5	108·6	109·0	*10·2*	109·4	109·3	91½
3	105·6	110·3	110·8	*10·1*	112·8	110·1	110·9	*10·0*	111·6	111·3	90
4	104·8	110·8	112·2	*9·2*	114·4	111·5	112·3	*8·9*	113·6	113·0	89
1972 *1*	105·6	112·1	113·9	*8·0*	117·8	112·6	113·9	*7·9*	115·9	115·3	88
2	106·1	113·5	116·0	*6·2*	119·0	115·0	115·9	*6·3*	117·3	116·7	86
3	109·4	115·6	118·0	*6·5*	122·3	116·5	117·8	*6·2*	119·1	118·8	85
4	115·6	118·0	120·8	*7·7*	124·7	119·6	120·7	*7·4*	122·0	121·4	83
1973 *1*	126·0	119·5	123·0	*8·0*	131·1	120·3	122·2	*7·3*	125·0	124·9	81½
2	133·3	120·1	126·9	*9·3*	137·4	123·5	125·2	*8·1*	129·0	129·1	79
3	150·9	124·2	128·8	*9·2*	139·8	125·3	127·7	*8·5*	130·2	130·4	77½
4	167·6	129·1	133·2	*10·3*	148·1	128·5	131·8	*9·2*	135·7	135·9	75
1974 *1*	212·5	138·3	138·8	*12·9*	156·2	133·3	137·2	*12·3*	142·2	142·2	72
2	213·7	148·9	147·0	*15·9*	161·7	142·2	145·3	*16·0*	148·0	148·8	68
3	212·9	156·1	150·7	*17·0*	164·5	146·1	149·4	*17·0*	152·7	152·9	66½
4	222·1	164·9	157·5	*18·2*	174·3	152·0	156·1	*18·5*	160·7	160·5	63½
1975 *1*	220·9	176·0	167·0	*20·3*	188·5	160·2	165·6	*20·7*	170·6	170·3	60
2	225·6	186·3	182·7	*24·3*	205·9	175·4	180·7	*24·4*	188·9	188·5	54½
3	239·3	193·4	190·7	*26·5*	211·3	184·0	188·7	*26·3*	195·8	195·7	52½
4	256·1	199·1	197·3	*25·3*	218·7	190·3	195·2	*25·0*	203·9	203·1	50½
1976 *1*	266·5	206·9	204·5	*22·5*	234·2	195·3	200·9	*21·3*	214·3	213·2	49
2	292·6†	214·4	211·9	*16·0*	242·6	202·6	207·9	*15·1*	222·7	221·3	47
3	306·8	223·2†	216·8	*13·7*	145·5	207·8	214·0	*13·4*	227·0	225·8	46
4											
1975 *J*	233·2	191·7	189·4	*26·3*	210·8	182·5	187·1	*25·9*	..	..	53
A	241·4	193·5	190·6	*26·9*	210·8	184·0	188·7	*26·7*	..	..	52½
S	243·2	194·9	192·2	*26·6*	212·3	185·6	190·4	*26·4*	..	..	52
O	252·2	197·0	194·9	*25·9*	214·1	188·6	192·9	*25·6*	..	..	51½
N	256·7	198·9	197·3	*25·2*	219·0	190·2	195·2	*25·0*	..	..	50½
D	259·5	201·5	199·7	*24·9*	223·1	192·2	197·4	*24·4*	..	..	50
1976 *J*	261·5	204·8	202·4	*23·4*	229·4	193·9	199·4	*22·5*	..	..	49½
F	263·9	207·3	204·9	*22·9*	235·3	195·5	201·3	*21·6*	..	..	49
M	274·2	208·6	206·1	*21·2*	237·9	196·4	202·0	*19·8*	..	..	48½
A	286·3	211·5	210·0	*18·9*	242·4	200·3	205·6	*17·6*	..	..	47½
M	292·0	214·8	212·3	*15·4*	243·0	202·9	208·3	*14·4*	..	..	47
J	299·6	217·0	213·4	*13·8*	242·4	204·5	209·9	*13·3*	..	..	47
J	302·0	219·8	213·8	*12·9*	237·3	206·1	211·8	*13·2*	..	..	47
A	304·0	223·4	216·8	*13·8*	245·0	208·0	214·1	*13·5*	..	..	46
S	314·4†	226·3	219·7	*14·3*	254·3	209·2	216·1	*13·6*	..	..	45½
O	327·8	229·9	223·7	*14·7*	261·9	212·2	219·9	*14·0*	..	..	44½
N	331·9[5]	233·8[5]	226·8	*15·0*	267·1	214·8	222·6	*14·0*	..	..	44
D											

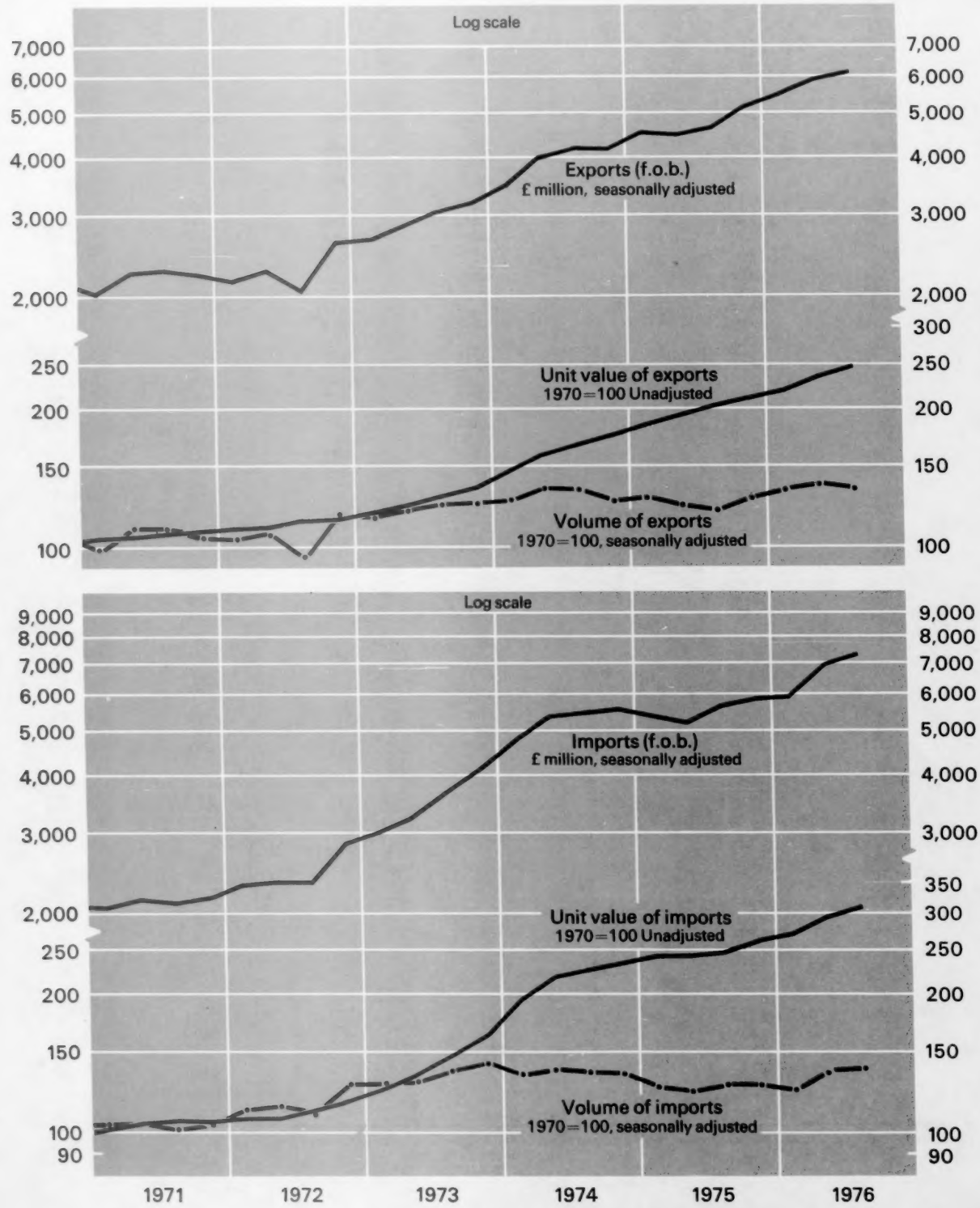
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products. Index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1970 = 100, log scale
350
340
330
320
310
300
290
280
270
260
250
240
230
220
210
200
190
180
170
160
150
140
130
120
110
100
90
Wholesale prices
(Materials and fuel purchased
by manufacturing industry)
Retail prices
Wholesale prices
(Home sales of
manufactured products)
1971
1972
1973
1974
1975
1976

Visible trade

	Seasonally adjusted		Unadjusted					
	1970=100		1970=100				1970=100	19 December 1971[1]=100
	Volume indices[2]		Unit value indices[2]			Trade competitiveness index[4]	World commodity prices index	Sterling effective exchange rate
	Exports	Imports	Exports	Imports	Terms of trade[3]			
1965	76·9	77·5	79·3	81·3	97·6	104·4	..	..
1966	79·9	79·0	82·2	82·6	99·6	106·3	81	..
1967	78·9	85·5	83·4	82·8	100·8	106·0	80	..
1968	88·5	94·0	90·0	92·7	97·1	99·5	91	..
1969	96·7	94·5	93·0	95·6	97·3	98·9[6]	96	99·95
1970	100·0	100·0	100·0	100·0	100·0	100·3[6]	100	98·95
1971	106·7	104·2	105·6	104·7	100·9	102·4	105	98·77
1972	106·6	116·3	111·1	109·7	101·3	102·6	116	94·99
1973	121·8	133·9	126·0	139·7	90·2	94·0	168	85·42
1974	130·1	135·2	162·7	218·0	74·6	92·8	295	82·16
1975	124·9	125·6	198·5	245·7	80·8		300	74·32
1971 *1*	99·5	103·9	104·1	102·3	101·8	101·7	104	99·22
2	110·4	105·1	105·3	105·7	99·7	101·3	107	99·03
3	110·3	102·2	107·3	106·5	100·7	102·5	106	98·32
4	106·4	105·5	109·0	105·8	103·0	103·9	104	98·51
1972 *1*	104·5	112·2	110·2	107·2	102·8	106·1	109	99·31
2	108·7	113·6	110·7	107·7	102·8	105·5	110	98·20
3	94·5	110·6	114·0	111·5	102·2	101·4	119	92·65
4	118·6	128·8	115·1	116·6	98·7	97·5	127	89·79
1973 *1*	117·0	128·1	119·3	123·4	96·7	96·7	141	88·95
2	120·3	129·6	123·8	133·1	93·0	97·3	153	88·41
3	124·8	136·9	129·1	146·7	88·0	91·3	174	82·75
4	125·3	141·1	136·1	162·0	84·0	90·7	205	81·57
1974 *1*	126·7	133·9	147·2	194·9	75·5	90·7	295	82·55
2	134·0	137·5	159·9	218·7	73·1	93·5	289	83·01
3	133·4	136·4	168·1	224·5	74·9	93·5	292	82·62
4	126·5	133·0	175·8	231·7	75·9	93·6	303	80·44
1975 *1*	128·9	125·4	184·9	240·5	76·9	93·7	287	78·43
2	122·6	122·2	193·4	241·1	80·2	95·4	284	75·90
3	120·0	127·4	202·2	247·1	81·8		306	72·64
4	128·3	127·2	210·1	260·4	80·7		324	70·36
1976 *1*	131·6	124·1†	219·0	270·0	81·1		338†	68·92
2	137·1	136·7	234·2	293·6	79·8		380	61·98
3	133·1†	137·2	247·4	309·3†	80·0†		394[7]	60·29
4								
1975 *J*	123·0	134·3	199·2	244·2	81·6	..	..	73·23
A	115·2	124·9	202·5	247·7	81·7	..	..	72·47
S	121·9	123·1	204·9	249·6	82·1	..	..	72·23
O	130·5	128·9	207·2	255·8	81·0	..	..	70·70
N	123·4	128·0	210·5	260·5	80·8	..	..	70·45
D	130·9	124·7	212·6	264·8	80·3	..	..	69·92
1976 *J*	131·5	125·2†	215·6	266·5	80·9	..	..	69·99
F	128·4	127·1	218·9	269·5	81·2	..	..	69·70
M	134·9	119·9	222·6	274·0	81·2	..	..	67·08
A	134·8	133·6	228·4	285·4	80·0	..	..	63·34
M	138·2	139·4	233·9	294·2	79·3	..	..	62·03
J	138·3†	137·1	240·4	301·1	79·8	..	..	60·56
J	129·9	140·3	242·6	306·1†	79·3†	..	..	61·47
A	132·6	131·2	247·9	308·0	80·5	..	..	61·01
S	136·7	140·1	251·7	313·8	80·2	..	..	58·38
O	140·1	142·6	256·4	324·0	79·2			54·32
N	136·7[7]	142·1[7]	261·7[7]	334·0[7]	78·4[7]			54·09
D								

[1] Date of the Smithsonian agreement. Monthly figures are trade-weighted averages of daily rates. A methodological article on the 'effective' exchange rate was published in the June 1974 issue of *Economic Trends*.
[2] On a balance of payments basis.
[3] Unit value index for exports expressed as a percentage of unit value index for imports.
[4] The ratio of UK to weighted average export (dollar) prices for major competitors in respect of manufactured goods.
[5] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[6] Differences in quarterly and annual averages for 1969 and 1970 are due to the effects of adjusting the UK series for export over-valuation.
[7] Provisional.
[8] This figure is a projection by the Department of Industry.


Log scale
7,000
6,000
5,000
4,000
3,000
2,000
250
200
150
100
Exports (f.o.b.)
£ million, seasonally adjusted
Unit value of exports
1970=100 Unadjusted
Volume of exports
1970=100, seasonally adjusted
Log scale
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
250
200
150
100
90
350
300
Imports (f.o.b.)
£ million, seasonally adjusted
Unit value of imports
1970=100 Unadjusted
Volume of imports
1970=100, seasonally adjusted
1971
1972
1973
1974
1975
1976

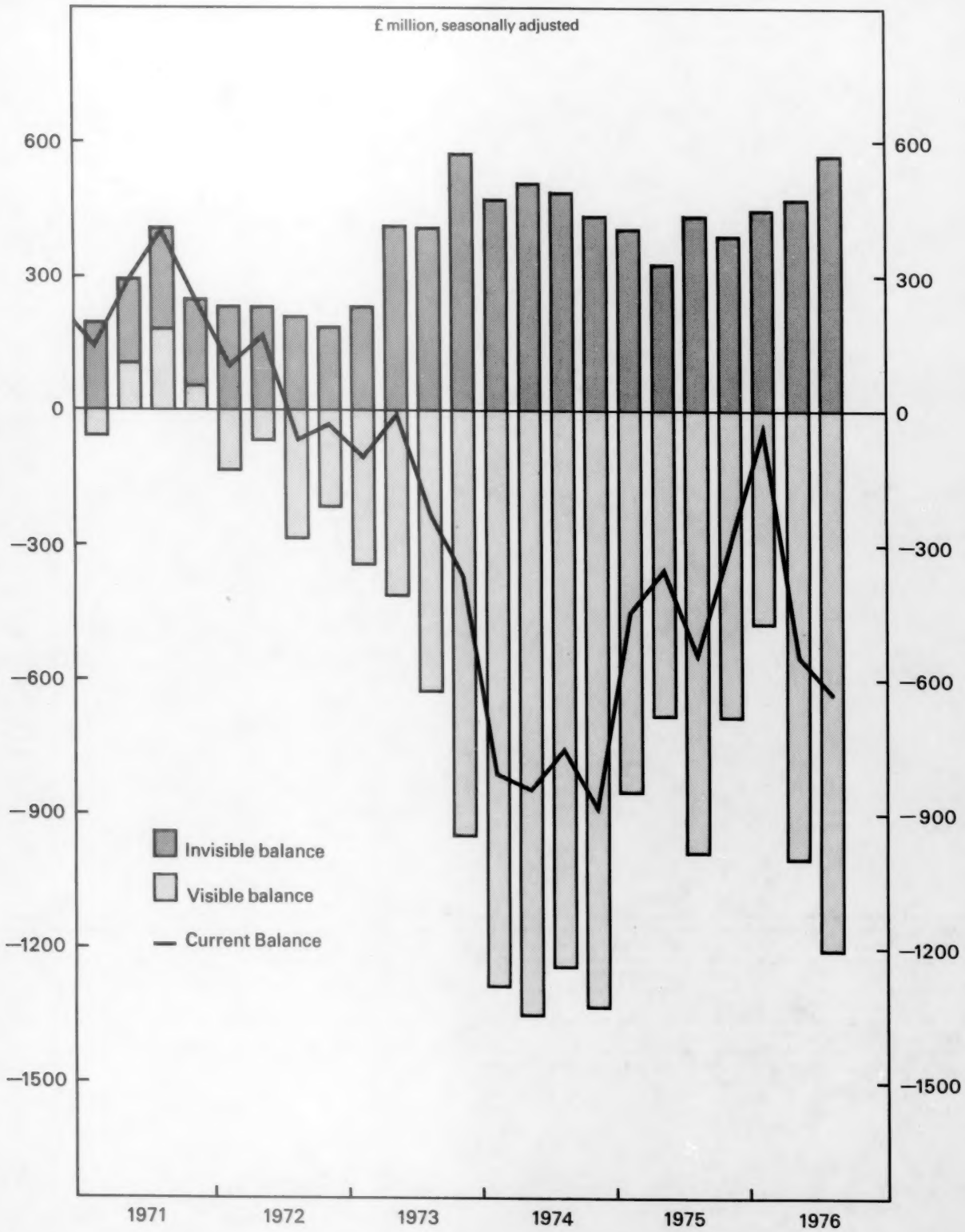
Balance of payments: current account

Seasonally adjusted

£ million

	Visible trade			Invisibles			
	Exports (f.o.b.) §	Imports (f.o.b.) §	Total	Credits	Debits	Balance	Current balance
1965	4,848	5,071	− 223	2,871	2,674	+ 197	− 26
1966	5,203	5,269	− 66	2,955	2,788	+ 167	+ 101
1967	5,139	5,693	− 554	3,245	2,989	+ 256	− 298
1968	6,282	6,949	− 667	3,809	3,414	+ 395	− 272
1969	7,075	7,231	− 156	4,315	3,699	+ 616	+ 460
1970	7,907	7,932	− 25	5,006	4,248	+ 758	+ 733
1971	8,810	8,530	+ 280	5,550	4,746	+ 804	+1,084
1972	9,141	9,843	− 702	6,109	5,253	+ 856	+ 154
1973	11,772	14,106	−2,334	8,396†	6,774	+1,622†	− 712†
1974	15,899	21,119	−5,220	10,169	8,272†	+1,897	−3,323
1975	18,768	21,972	−3,204	11,047	9,499	+1,548	−1,656
1971 *1*	2,010	2,068	− 58	1,351	1,154	+ 197	+ 139
2	2,265	2,161	+ 104	1,386	1,198	+ 188	+ 292
3	2,293	2,113	+ 180	1,402	1,177	+ 225	+ 405
4	2,242	2,188	+ 54	1,411	1.217	+ 194	+ 248
1972 *1*	2,178	2,312	− 134	1,483†	1,251	+ 232†	+ 98†
2	2,290	2,356	− 66	1,501	1,270	+ 231	+ 165
3	2,060	2,344	− 284	1,550	1,342	+ 208	− 76
4	2,613	2,831	− 218	1,575	1,390	+ 185	− 33
1973 *1*	2,665	3,008	− 343	1,780	1,549	+ 231	− 112
2	2,839	3,253	− 414	2,074	1,664	+ 410	− 4
3	3,065	3,693	− 628	2,128	1,721	+ 407	− 221
4	3,203	4,152	− 949	2,414	1,840	+ 574	− 375
1974 *1*	3,481	4,769	−1,288	2,469	1,999†	+ 470	− 818
2	4,008	5,363	−1,355	2,533	2,028	+ 505	− 850
3	4,223	5,465	−1,242	2,527	2,041	+ 486	− 756
4	4,187	5,522	−1,335	2,640	2,204	+ 436	− 899
1975 *1*	4,531	5,383	− 852	2,661	2,258	+ 403	− 449
2	4,479	5,160	− 681	2,705	2,381	+ 324	− 357
3	4,632	5,621	− 989	2,792	2,358	+ 434	− 555
4	5,126	5,808	− 682	2,889	2,502	+ 387	− 295
1976 *1*	5,419†	5,897†	− 478†	3,057	2,612	+ 445	− 33
2	5,992	6,996	−1,004	3,254	2,783	+ 471	− 533
3	6,121	7,327	−1,206	3,477	2,908	+ 569	− 637
4							
1975 *J*	1,566	1,943	− 377	..	..		..
A	1,485	1,886	− 401	..	..	+ 434†	..
S	1,581	1,792	− 211	..	..		..
O	1,729	1,946	− 217	..	..		..
N	1,637	1,917	− 280	..	..	+ 387	..
D	1,760	1,945	− 185	..	..		..
1976 *J*	1,771†	1,966†	− 195†	..	..		..
F	1,752	2,007	− 255	..	..	+ 445	..
M	1,896	1,924	− 28	..	..		..
A	1,922	2,225	− 303	..	..		..
M	2,009	2,373	− 364	..	..	+ 471	..
J	2,061	2,398	− 337	..	..		..
J	1,949	2,477	− 528	..	..		..
A	2,039	2,337	− 298	..	..	+ 569	..
S	2,133	2,513	− 380	..	..		..
O	2,222	2,576	− 354	..	..	+ 200[1]	− 154†
N	2,226	2,736	− 510			+ 200[1]	− 310
D							

[1] These figures are projections and are subject to revision as the relevant statistical information becomes available.


£ million, seasonally adjusted
600
300
0
−300
−600
−900
−1200
−1500
Invisible balance
Visible balance
Current Balance
1971
1972
1973
1974
1975
1976

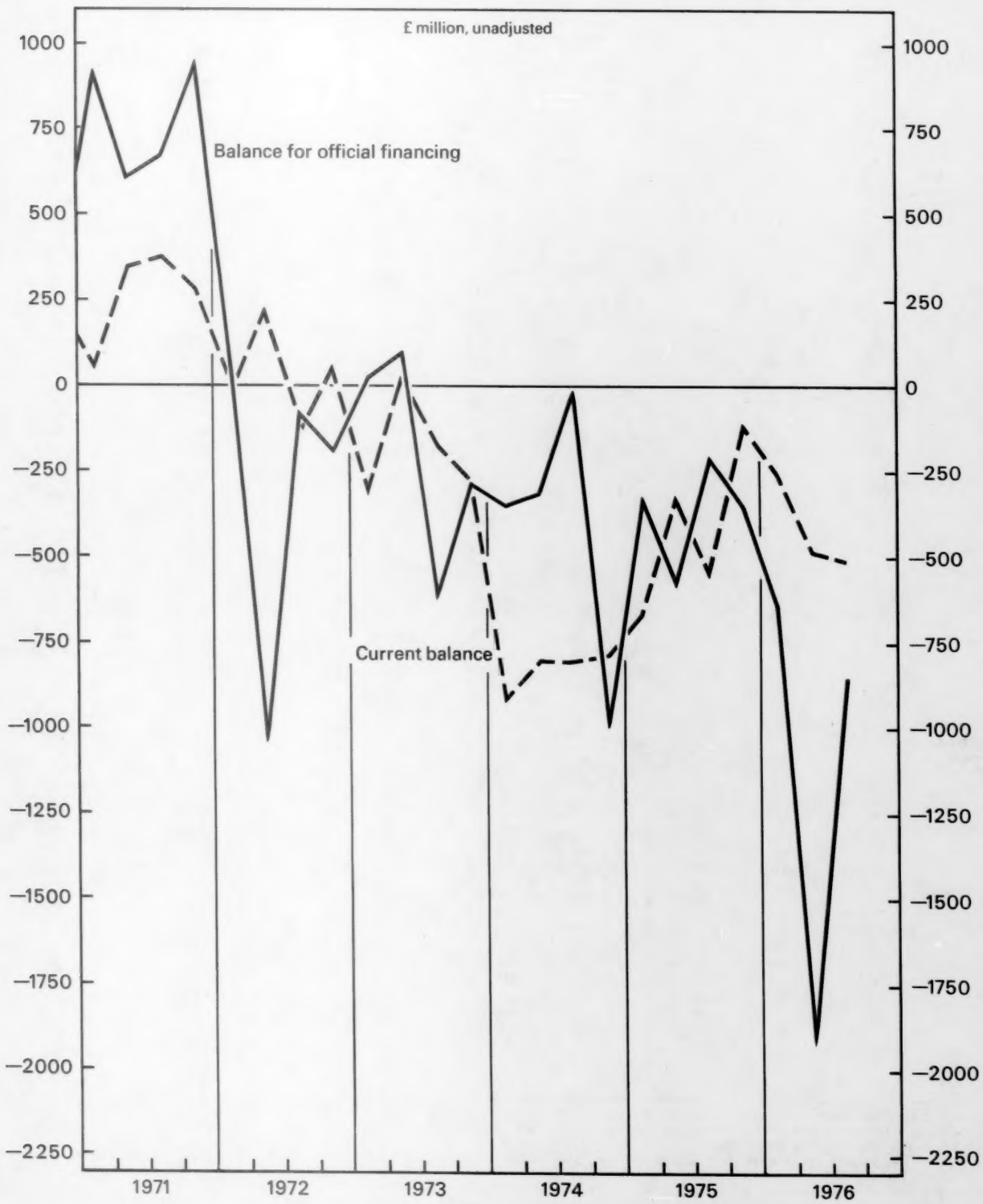
Analysis of capital flows and official financing [1]

£ million

Not seasonally adjusted

	Investment and other capital flows									Official financing	
	Current balance	Official long-term capital	Overseas investment in UK public sector [2]	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks [2]	Change in external sterling liabilities	Trade credit [3] and other short-term flows	Balancing item and other capital flows [4]	Balance for official financing [5]	Allocation of SDR and gold subscription to IMF	Drawings on (+)/ additions to (−) official reserves [6]	Other transactions (net) [7]
1965	− 26	− 85	− 12	− 130	− 22	− 98	+ 21	− 1	− 353	—	− 246	+ 599
1966	+ 101	− 81	+ 35	− 39	−192	− 101	−200	− 70	− 547	− 44	− 34	+ 625
1967	− 298	− 59	+ 54	− 96	+ 36	− 284	−146	+122	− 671	—	+ 115	+ 556
1968	− 272	+ 17	+ 16	− 160	− 15	− 308	−305	−383	−1,410	—	+ 114	+1,296
1969	+ 460	− 99	− 56	− 6	− 38	+ 261	−227	+392	+ 687	—	− 44	− 643
1970	+ 733	−204	− 10	+ 49	+472	+ 459	−193	− 19	+1,287	+133	− 125	−1,295
1971	+1,084	−273	+107	+ 216	+471	+1,422	−126	+245	+3,146	+125	−1,536	−1,735
1972	+ 154	−255	+113	− 631	+471	+ 196	−608	−705	−1,265	+124	+ 692	+ 449
1973	− 712†	−254	+170	− 260	+535	+ 154	−384	− 38†	− 789	—	− 210	+ 999
1974	−3,323	−276	+250	+1,069†	−299	+1,558	−685†	+ 34	−1,672	—	− 79	+1,751
1975	−1,656	−288	+ 45	+ 412	+235	− 66†	− 1†	−160	−1,479	—	+ 669	+ 810
1970 *1*	+ 245	− 49	+ 3	+ 36	+125	+ 283	+ 66	+206	+ 915	+171	− 76	−1,010
2	+ 171	− 37	− 3	+ 123	+123	+ 157	−136	−171	+ 227	—	− 34	− 193
3	+ 81	− 20	− 23	− 84	− 24	+ 3	− 13	−122	− 202	—	+ 52	+ 150
4	+ 236	− 98	+ 13	− 26	+248	+ 16	−110	+ 68	+ 347	− 38	− 67	− 242
1971 *1*	+ 64	− 46	+ 70	+ 132	+ 84	+ 285	+ 70	+263	+ 922	+125	− 204	− 843
2	+ 352	− 43	+ 7	+ 44	+148	+ 277	− 97	− 85	+ 603	—	− 126	− 477
3	+ 382	− 35	+ 5	+ 54	+ 28	+ 337	+ 88	−191	+ 668	—	− 576	− 92
4	+ 286	−149	+ 25	− 14	+211	+ 523	−187	+258	+ 953	—	− 630	− 323
1972 *1*	—	− 43	+ 64	− 194	+114	+ 211	−163	+ 68	+ 57	+124	− 191	+ 10
2	+ 224	− 39	+ 20	− 200	−132	− 138	−374	−406	−1,045	—	+ 46	+ 999
3	− 120	− 17	+ 22	− 83	+199	− 92	− 47	+ 59	− 79	—	+ 639	− 560
4	+ 50	−156	+ 7	− 154	+290	+ 215	− 24	−426	− 198	—	+ 198	—
1973 *1*	− 306	− 55	+ 43	− 15	+ 1	+ 170	− 67	+253	+ 24	—	− 69	+ 45
2	+ 24†	− 31	+ 20	+ 7	+162	+ 166	+ 9	−261†	+ 96	—	− 377	+ 281
3	− 164	− 27	+ 21	− 63	+ 36	− 415	−208	+198	− 622	—	+ 258	+ 364
4	− 266	−141	+ 86	− 189	+336	+ 233	−118	−228	− 287	—	− 22	+ 309
1974 *1*	− 921	− 53	+ 32	+ 550†	− 61	+ 179	−152	+ 81	− 345	—	+ 39	+ 306
2	− 804	− 42	+107	+ 291	+ 56	+ 386	− 88	−230	− 324	—	− 111	+ 435
3	− 806	− 15	+ 30	+ 353	−346	+ 616	−125	+287	− 6	—	− 183	+ 189
4	− 792	−166	+ 81	− 125	+ 52	+ 377	−320	−104	− 997	—	+ 176	+ 821
1975 *1*	− 668	− 73	+ 66	− 25	− 83	+ 247	− 7	+211	− 332	—	− 136	+ 468
2	− 333	− 39	+ 2	− 332	+774	− 17	−261	−375	− 581	—	+ 419	+ 162
3	− 540	− 26	− 52	+ 587	− 14	− 379	+244	− 30	− 210	—	+ 167	+ 43
4	− 115	−150	+ 29	+ 182	−442	+ 83†	+ 23	+ 34	− 356	—	+ 219	+ 137
1976 *1*	− 261	− 36	+ 25†	+ 235	+156†	− 77	−572	−112	− 642	—	− 208	+ 850
2	− 481	− 26	+ 14	− 86	+144	− 918	−390	−181	−1,924	—	+ 324	+1,600
3	− 508	− 7	+ 67	+ 34	−181	− 146	−174	+ 67	− 848	—	+ 47	+ 801
4												

[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues.
[2] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.
[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.
[4] Capital transfers and EEA loss on forward commitments.
[5] Balance of current and capital transactions, including unidentified transactions covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.
[6] From 23 August 1971, valued in sterling at transactions rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.
[7] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government and by the public sector. under the exchange cover scheme; in 1966 and 1967 includes the transfer from dollar portfolio to reserves.

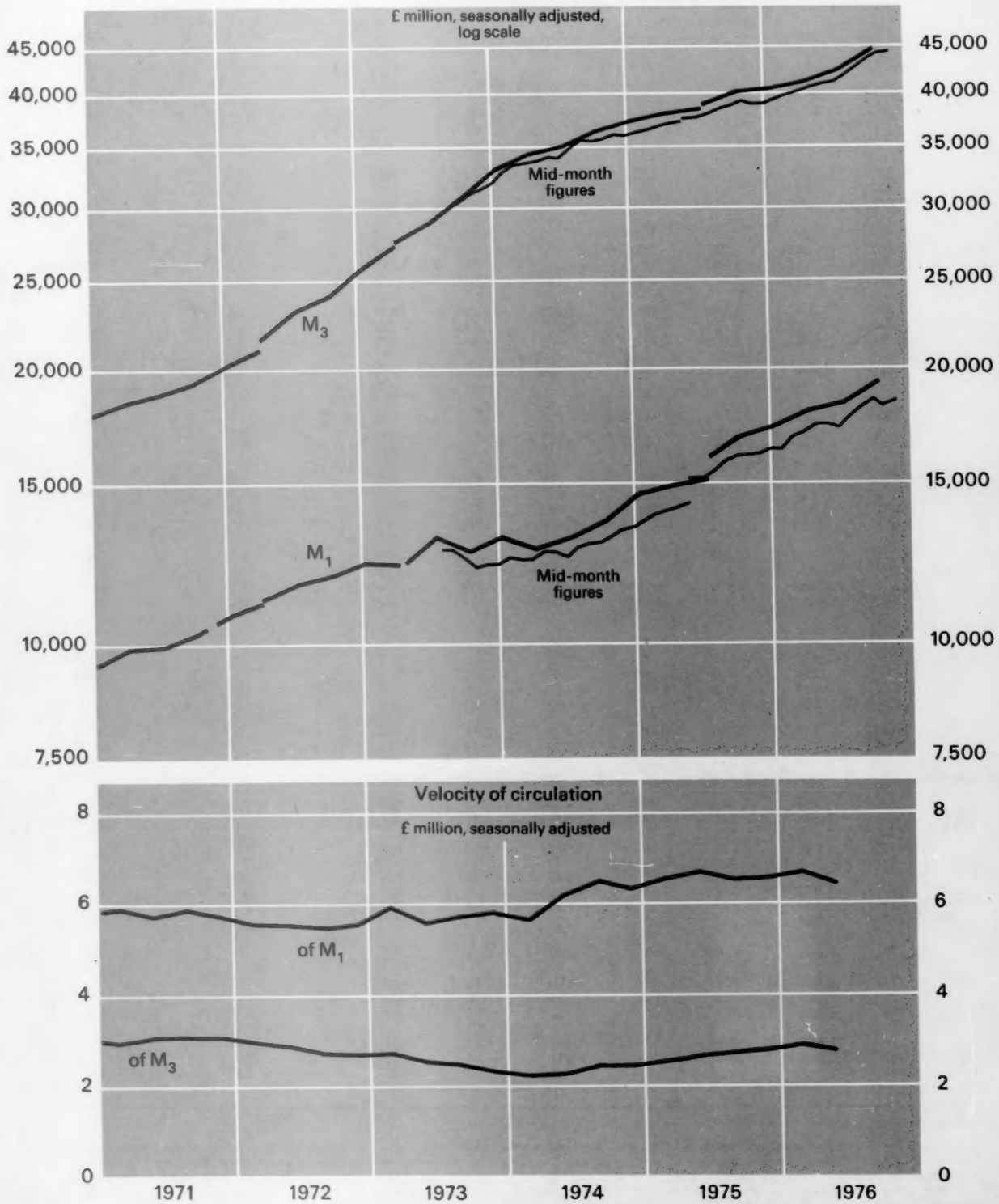

£ million, unadjusted
Balance for official financing
Current balance
1000
750
500
250
0
−250
−500
−750
−1000
−1250
−1500
−1750
−2000
−2250
1971
1972
1973
1974
1975
1976

Money stock

£ million

	M_1				M_3				Notes and coin in circulation with public	Total deposits of domestic sectors	Velocity of circulation[1]	
	Unadjusted	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Unadjusted	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Unadjusted	Unadjusted	M_1	M_3
Amounts outstanding at end												
1971 *1*	9,691	9,820	391	*17·6*	18,192	18,330	519†	*12·2*	3,324	14,868	5·582	2·974
2	9,831	9,890	68	*2·8*	18,662	18,740	421	*9·5*	3,373	15,289	5·687	3·024
3	10,210	10,230	341	*14·5*	19,112	19,180	447	*9·9*	3,454	15,658	5·803	3·079
4[2]	11,088	10,740	103	*4·1*	20,541	20,010	826	*18·4*	3,589	16,952	5·687	3·043
1972 *1*[3]	11 168	11,140	398	*15·7*	21,001	20,950	941	*20·2*	3,755	17,246	5·506	2·920
	11,225	11,190			21,411	21,360			3,755	17,656		
2	11,729	11,590	400	*15·1*	23,105	23,010	1,658	*34·9*	3,860	19,245	5·490	2·829
3	11,930	11,790	209	*7·4*	24,050	23,990	991	*18·4*	3,905	20,155	5·414	2·693
4	12,657	12,290	497	*18·0*	26,245	25,670	1,696	*31·4*	4,079	22,166	5·509	2·671
1973 *1*[3]	12,333	12,250	− 48†	*1·6*†	27,138	27,320†	1,705	*29· 3*†	4,170	22,968	5·852	2·709
	12,333	12,250			27,146	27,330			4,170	22,976		
2	13,175	13,010†	764	*27·4*	28,674	28,590	1,283	*20·1*	4,349	24,325	5·553	2·509
3	12,882	12,540	−466	*−13·6*	30,860	30,830	2,250	*35·4*	4,301	26,707	5·674	2·440
4	13,303	13,100	569	*19·4*	33,478	32,970	2,160	*31·1*	4,377	29,101	5·767	2·318
1974 *1*	12,772	12,650	−428	*−12·4*	33,938	34,140	1,214	*15·6*	4,574	29,364	5·761	2·211
2	13,175	13,030	382	*12·6*	34,880	34 810	685	*8·3*	4,767	30,113	6·155	2·293
3	13,513	13,520	495	*16·1*	35,758	36,030	1,215	*14·7*	4,772	30,986	6·454	2·419
4	14,739	14,510	988	*32·6*	37,698	37 140	1,107	*12·9*	5,085	32,613	6·318	2·419
1975 *1*	14,735	14,810	309	*8·8*	37,442	37,810	655	*7·2*	5,448	31,974	6·485	2·536
2[4]	15,173	15,200	384	*10·8*	38,196†	38,310	504	*5·4*	5,367	32,829†	6·617	2·641
	15,902	15,930			38,183	38,300			5,371	32,812		
3	16 773	16,800	874	*23·8*	39,611	39,840	1,535	*17·0*	5,482	34,129	6·538	2·709
4[5]	17,495	17,270	462	*11·5*	40,555	40,030	190	*1·9*	5,903	34,652	6·560	2·798
1976 *1*	17,801	17,890	618	*15·1*	40,440	40,770	735	*7·5*	5,915	34,525	6·622	2·880
2	18,290	18,310	423	*9·8*	42,222	42,320	1,549	*16·1*	6,188	36,034	6·408	2·793
3	19,232	19,260	953	*22·5*	44,212	44,440	2,122	*21·6*	6,495	37,717	..	..
4												
Amounts outstanding at mid-month												
1975 *J*	15,623	15,400	326	..	37,824	37,720	252	..	5 465	32 359	..	..
A	15,798	15,770	376	..	38,259	38,330	604	..	5 494	32 765	..	..
S	15,992	16,000	230	..	38,464	38,540	206	..	5 460	33 004	..	..
O	16,162	16,080	73	..	38,893	39,010	462	..	5 474	33 419	..	..
N	16,090	16,080	7	..	38,854	38,780	−238	..	5,522	33,332	..	..
D	16,625	16,320	233	..	39,216	38,750	− 22	..	5,674	33,542	..	..
1976 *J*[5]	16,011	16,270	− 48	..	38,914	39,140	399	..	5,538	33,376	..	..
F	16,495	16,880	620	..	39,227	39,710	572	..	5,654	33,573	..	..
M	16,846	17,020	140	..	39,667	39,920	196	..	5,749	33,918	..	..
A	17,408	17,360	340	..	40,439	40,450	537	..	5,905	34,534	..	..
M	17,335	17,350	− 8	..	40,469	40,680	238	..	5,898	34,571	..	..
J	17,405	17,170	−174	..	40,778	40,910	246	..	6,009	34,769	..	..
J	17,841	17,700	545	..	41,924†	41,730	841†	..	6,269	35,655†	..	..
A	18,157†	18,050†	352†	..	42,478	42,440†	707	..	6,261	36,217	..	..
S	18,496	18,460	406	..	43,352	43,430	989	..	6,256	37,096	..	..
O	18,099	18,130	−334	..	43,774	43,950	534	..	6,241	37,533	..	..
N	18,377	18,360	202	..	44,192	44,120	169	..	6,271	37,921	..	..
D												

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/M_3 seasonally adjusted.
[2] The break in the series for M_1 between September and December 1971 reflects additional statistical information and is explained in notes to Table 11 in the *Bank of England Quarterly Bulletin.*
[3] The breaks in the series at end-March 1972 and end-March 1973 show, in each case, the effects of changes in contributors which are described in *Financial Statistics.* [4]At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975 includes a number of estimates to provide reasonable consistency with earlier dates. [5]The amounts outstanding at end-December 1975 and mid-January 1976 are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.


£ million, seasonally adjusted, log scale
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
7,500
Mid-month figures
M_3
M_1
Mid-month figures
Velocity of circulation
£ million, seasonally adjusted
8
6
4
2
0
of M_1
of M_3
1971
1972
1973
1974
1975
1976

Money stock and public sector borrowing requirement

£ million

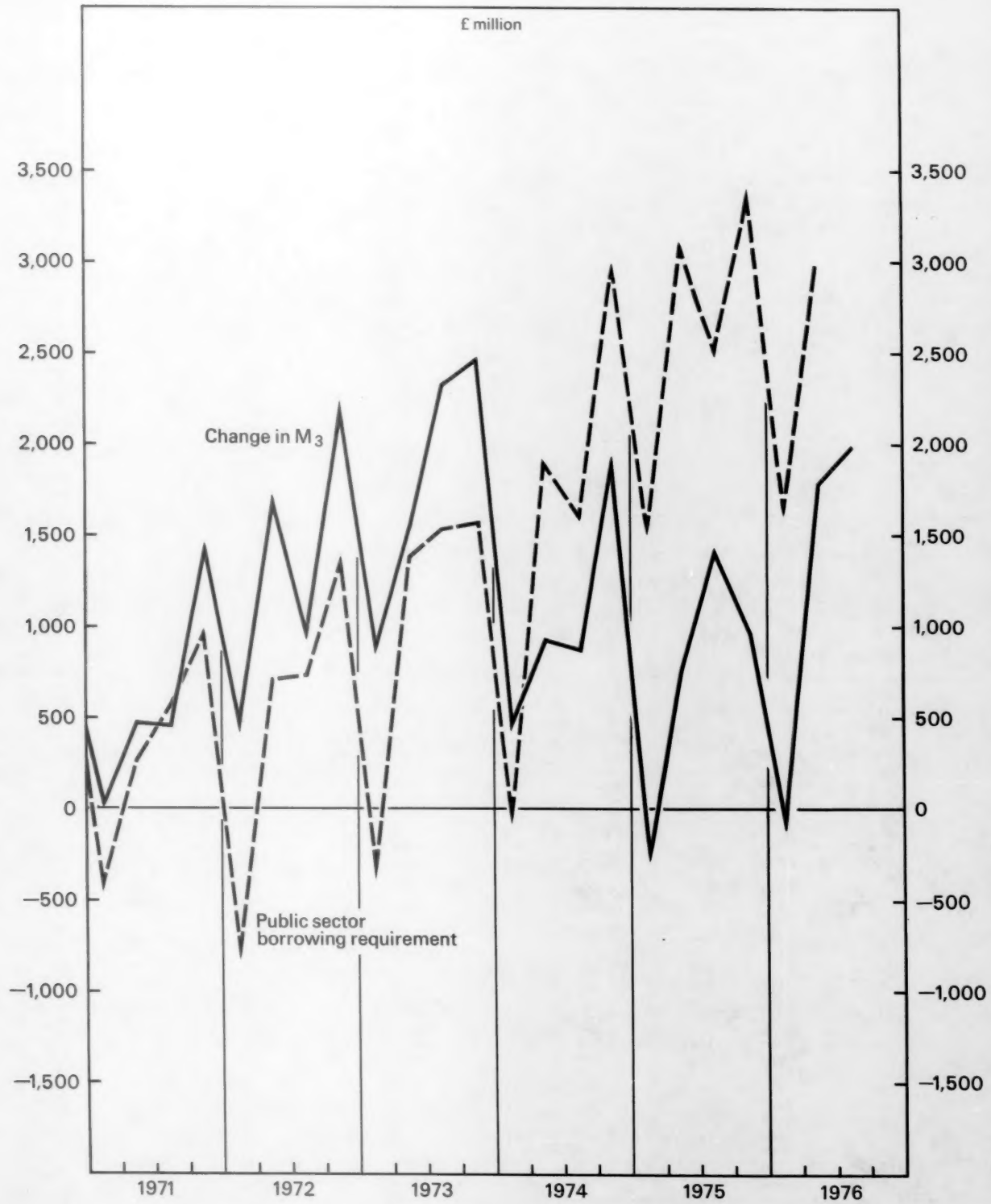
	Change in money stock M_3	Public sector borrowing requirement	Net acquisition of public sector debt: By overseas sector	By UK residents other than banks: Currency	By UK residents other than banks: Other	Changes in financial assets and liabilities of the banking sector: Lending to public sector	Lending to private sector	Deposits by (*less* lending to) non-residents	Non-deposit liabilities[1]	Net deposits of UK residents: Transactions[2]	Net deposits of UK residents: Valuation changes[3]
	1	2	3	4	5	6	7	8	9	10	11
1965	938	1,205	96	195	486	428	508	66	127	743	
1966	479	961	413	66	220	220	52	— 257	116	413	
1967	1,345	1,862	502	125	665	570	634	— 41	25	1,220	
1968	1,152	1,279	1,111	52	— 13	129	725	— 236	10	1,100	
1969	503	— 466	— 593	146	354	— 373	597	— 141	8	357	
1970	1,586	— 17	—1,353	321	102	913	1,315	753	210	1,265	
1971	2,366	1,373	—2,670	273	2,104	1,666	1,856	1,061	368	2,093	
1972	5,299	2,040	1,564	495	1,007	—1,026	6,434	— 48	652	4,804	
1973	7,232	4,182	— 108	305	1,990	1,995	6,828	1,411	485	6,927	
1974	4,221	6,362	1,489†	709	3,463	701	4,671	1,178	682	3,512	
1975	2,884†	10,501†	754	814	5,569†	3,364	139†	1,066†	747	1,690†	380
Financial years											
1965/66	1,087	995	— 76	241	251	579	449	122	60	846	
1966/67	429	1,214	25	125	654	410	— 27	— 59	138	304	
1967/68	1,258	1,980	1,447	106	426	1	698	— 432	— 21	1,152	
1968/69	1,077	453	419	69	— 173	138	796	— 164	90	1,008	
1969/70	374	— 526	—1,241	129	802	— 216	718	162	95	245	
1970/71	2,031	803	—1,193	288	530	1,178	1,267	618	84	1,743	
1971/72	2,811	1,014	—1,879	433	1,694	766	3,142	1,091	439	2,378	
1972/73	5,733	2,498	1,426	421	884	— 233	6,288	— 59	802	5,312	
1973/74	6,799	4,432	125	411	2,514	1,382	6,672	1,320	346	6,388	
1974/75	3,484	7,932	1,514	874	4,311	1,233	3,264	1,261	626	2,610	
1975/76	3,045†	10,612†	1,200†	463	5,575†	3,374†	207†	689†	852†	2,040†	542
1971 *1*	15	— 418	— 695	6	637	— 366	506	147	— 16	9	
2	471	256	— 410	50	261	355	287	109	112	421	
3	452	567	— 655	83	614	525	364	267	253	369	
4	1,428	968	— 910	134	592	1,152	699	538	19	1,294	
1972 *1*	460	— 777	96	166	227	—1,266	1,792	177	55	294	
2	1,698	715	940	109	240	— 574	1,939	— 304	80	1,589	
3	955	740	230	45	220	245	820	— 25	180	910	
4	2,186	1,362	298	175	320	569	1,883	104	337	2,011	
1973 *1*	894	— 319	— 42	92	104	— 473	1,646	166	205	802	
2	1,532	1,384	— 321	183	946	576	1,217	453	— 9	1,349	
3	2,334	1,536	126	— 48	568	890	1,691	191	8	2,382	
4	2,472	1,581	129	78	372	1,002	2,274	601	281	2,394	
1974 *1*	461	— 69	191	198	628	—1,086	1,490	75	66	263	
2	942	1,872	174	193	1,715	— 210	1,820	484	377	749	
3	878	1,602	337	5	996	264	851	9	233	873	
4	1,940	2,957	787	313	124	1,733	510	610	6	1,627	
1975 *1*	— 276	1,501	216	363	1,476	— 554	83	158	10	— 639	
2[3]	774†	3,109	568	— 81	1,050	1,572	499	1,104†	315†	652†	203
3	1,428	2,493†	— 355	111	1,101	1,636†	— 432†	— 30	54	1,180	137
4	958	3,398	325	421	1,942†	710	— 11	— 166	368	497	40
1976 *1*	— 115	1,612	662†	12	1,482	— 544	151	— 219	115	-- 289	162
2	1,782	2,968	1,408	273	1,337	— 50	1,056	— 529	248	1,287	222†
3	1,990		452	307	788	763	833	— 43	239	1,450	233
4											

Relationship between columns 1=4+10+11; 2−3−4−5=6; 6+7−8−9=10.

[1] Comprising the banking sector's total identified financial assets *less* accruals adjustment and purchases of bank securities *plus* capital issues.

[2] The figures of both sterling and non-sterling current and deposit accounts after deducting items in transit, etc. and all inter-bank deposits.

[3] From the second quarter of 1975 all figures which include foreign currency items apart from the changes in M_3 have been adjusted to exclude the effects of movement in exchange rates. The direct effect of exchange rate changes on the sterling value of M_3 is shown in column 11 (for additional information see *Financial Statistics* Notes and Definitions).


£ million
3,500
3,000
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
Change in M3
Public sector
borrowing requirement
1971
1972
1973
1974
1975
1976

Public expenditure[1]

£ million

	Total public expenditure	Goods and services		Transfer payments and loans				
		Consumption	Investment[2]	Subsidies	Current grants	Capital transfers	Debt interest	Net lending to private sector and overseas
1972	27,375†	11,772	4,760	1,135	6,063	727	2,420	498
1973	32,316	13,403	5,879	1,450†	6,804	856	2,953	971
1974	41,930	16,578	7,576	2,994	8,193	919	3,837	1 833
1975	54,465	22,907	9,687	3,906	10,587	884	4,513	1,981
1972 *3*	6,789	2,970	1,188	279	1,443	169	644	96
4	7,202	3,107	1,229	261	1,671	180	586	168
1973 *1*	8,078	3,243	1,512	291	1,697	243	768	324
2	7,484	3,211	1,318	338	1,678	204	561	174
3	8,234	3,397	1,507	365	1,601	216	870	278
4	8,520	3,552	1,542	456	1,828	193	754	195
1974 *1*	10,058	3,801	1,901	672	1,890	236	1,083	475
2	9,185	3,791	1,634	583	1,890	238	681	368
3	11,087	4,269	1,907	843	2,073	250	1,107	638
4	11,600	4,717	2,134	896	2,340	195	966	352
1975 *1*	13,405	5,394	2,605	1,141	2,241	293	1,254	477
2	12,496	5,424	2,129	938	2,678	166	809	352
3	13,880	5,877	2,358	900	2,719	212	1,326	488
4	14,684	6,212	2,595	927	2,949	213	1,124	664
1976 *1*	15,704	6,333	2,937	823	3,317	217	1,588	489
2	14,943	6,512	2,453	913	3,376	189	1,071	429

[1] Figures of public expenditure on an alternative definition, to be used in public expenditure White Papers, are published in Table 2·4 of *Financial Statistics*.
[2] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.

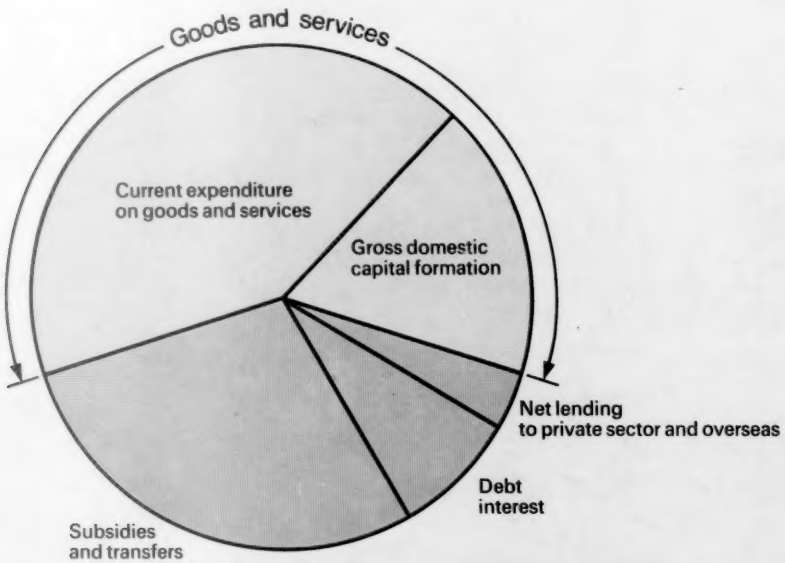
Public sector receipts

£ million

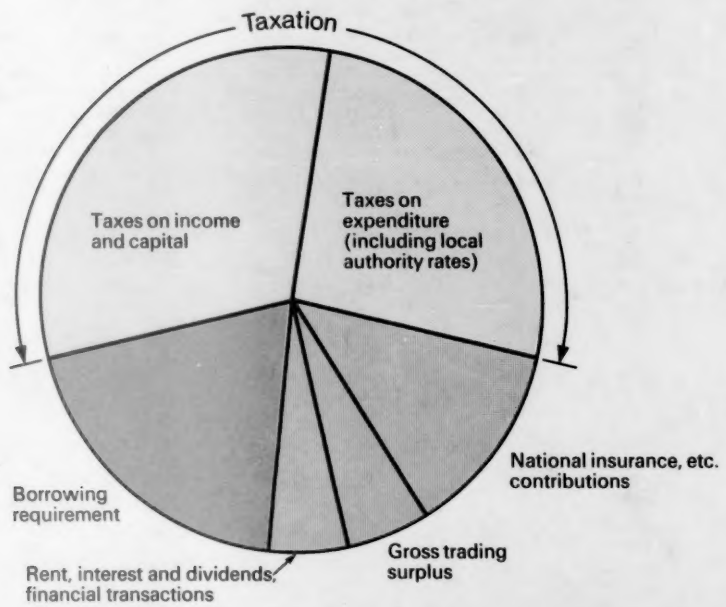
	Total receipts	Taxes on income	Taxes on capital	Taxes on expenditure	National insurance, etc. contributions	Gross trading surplus[1]	Rent, interest and dividends, etc.	Capital transfers from private sector	Financial transactions	Borrowing requirement
1972	27,375	8,117	756	9,262	3,333	1,821	1,847	23	176	2,040
1973	32,316	9,109	823	10,092	3,930	2,203	2,241	24	— 288	4,182
1974	41,930	12,113	860	11,342	5,000	2,643	2,816	30	764	6,362
1975	54,465	16,160	828	14,046	6,823	3,012	3,295	40	— 240†	10,501†
1972 *3*	6,789	1,722	165	2,300	835	402	455	6	164	740
4	7,202	1,523	176	2,486	880	568	484	6	— 283†	1,362
1973 *1*	8,078	3,246	264	2,372	948	573	487	5	502	—319
2	7,484	1,864	178	2,431	944	504	569	6	— 396	1,384
3	8,234	2,052	188	2,564	992	465	563	7	— 133	1,536
4	8,520	1,947	193	2,725	1,046	661	622	6	— 261	1,581
1974 *1*	10,058	3,723	276	2,500	1,117	596	674	6	1,235	— 69
2	9,185	2,406	211	2,858	1,124	669	660	6	— 621	1,872
3	11,087	3,066	198	2,903	1,313	570	697	8	730	1,602
4	11,600	2,918	175	3,081	1,446	808	785	10	— 580	2,957
1975 *1*	13,405	4,751	267	2,888	1,526	750	755	10	957	1,501
2	12,496	3,457	187	3,490	1,711	644	856	9	— 967	3,109
3	13,880	4,006	185	3,727	1,771	533	814	10	341	2,493
4	14,684	3,946	189	3,941	1,815	1,085	870	11	— 571	3,398
1976 *1*	15,704	5,526	308	3,690	1,835	970	880	12	871	1,612
2	14,943	4,252	206	3,852	2,106	869	955	12	— 277	2,968

[1] Before providing for depreciation and stock appreciation.

Public expenditure 1975 (£54,465 m.)


Goods and services
Current expenditure on goods and services
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Subsidies and transfers

Public sector receipts 1975 (£54,465 m.)


Taxation
Taxes on income and capital
Taxes on expenditure (including local authority rates)
National insurance, etc. contributions
Borrowing requirement
Gross trading surplus
Rent, interest and dividends, financial transactions

Sector financial accounts

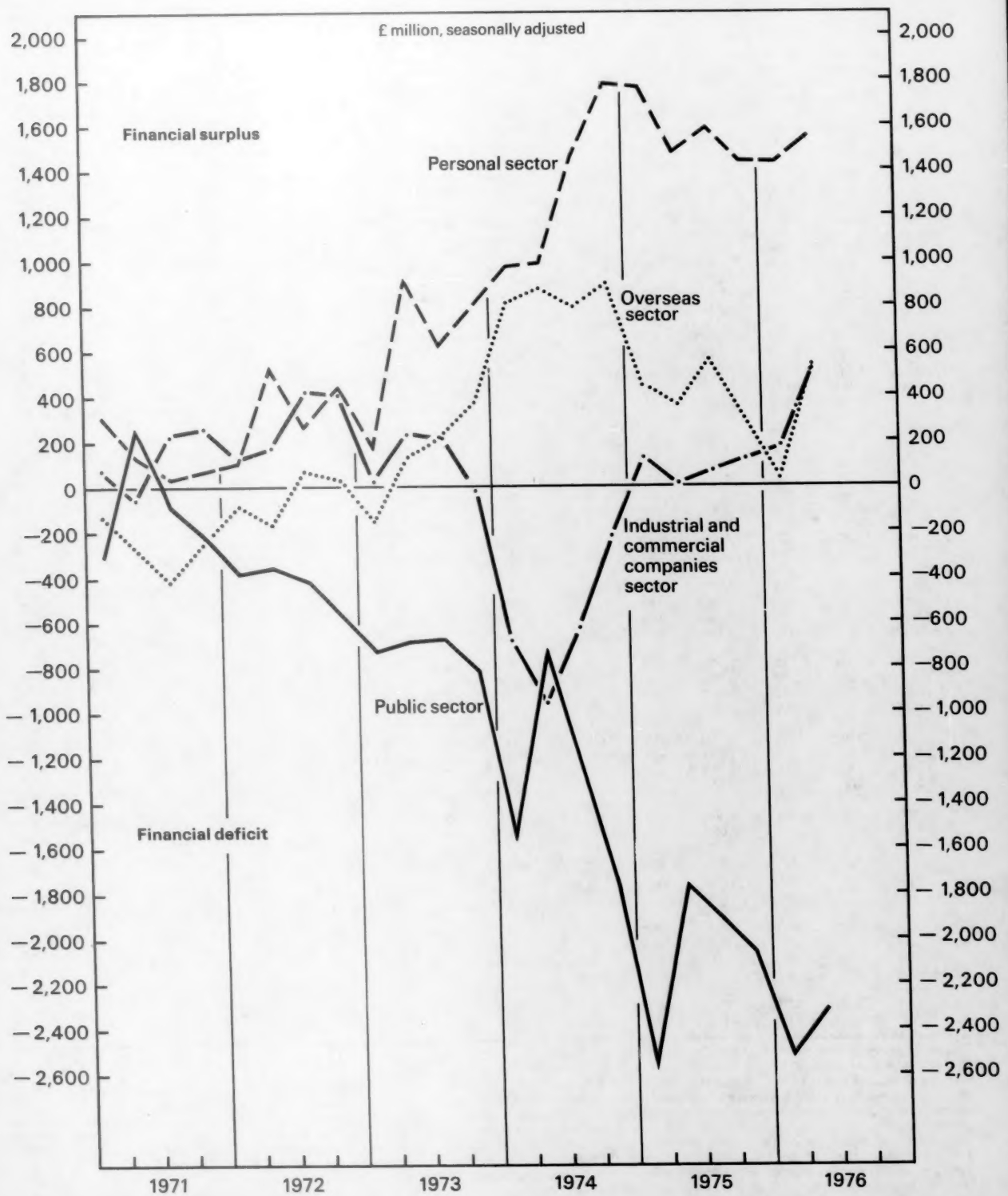
Seasonally adjusted

£ million

	Public sector[1]			Financial companies			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1972	2,990	52	4,760	609	— 62	777	5,495	380	4,739
1973	2,965	— 9	5,879	822	— 76	1,269	8,366	347	8,244
1974	2,312	— 29	7,576	769	— 66	1 403	9,104	333	11,937
1975	1,423	— 16	9,687	655	— 16	1,560	9,339	403	9,410
1972 *1*	766	2	1,158	118	— 15	167	1,102	116	1,101
2	824	14	1,189	112	— 16	161	1,215	96	1,138
3	738	22	1,170	199	— 15	240	1,482	81	1,130
4	662	14	1,243	180	— 15	209	1,696	87	1,370
1973 *1*	725	— 21	1,429	239	— 19	255	1,852	97	1.928
2	694	— 9	1,378	189	— 19	309	2,015	77	1,853
3	798	6	1,492	197	— 19	341	2,211	96	2,091
4	748	15	1,580	197	— 19	364	2,288	77	2 372
1974 *1*	201	18	1,773	278	— 16	351	2.263	93	3,045
2	1,000	— 20	1,718	164	— 16	333	2,292	81	3,330
3	682	— 24	1,894	119	— 17	352	2,263	76	2,977
4	429	— 3	2,191	208	— 17	367	2,286	83	2,585
1975 *1*	— 50	— 63	2,446	225	— 8	331	2,408	173	2,450
2	461	34	2,252	154	— 6	371	2,194	62	2,251
3	417	10	2,332	181	— 2	498	2,280	85	2,293
4	595	3	2,657	95	—	360	2,457	83	2,416
1976 *1*	149	42	2,712	416	— 5	424	2,776	77	2,672
2	275†	29	2,619	345	— 5	435	3,104	78	2,661†
3									
4									

	Personal sector			Net acquisition of financial assets[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1972	4,513	—371	2,796	—1,718	— 30	1,136	1,346	— 154	—380
1973	5,910	—321	3,099	—2,923	—523	— 469	2,490	771†	—284†
1974	8,463	—313	2,952	—5,293	—700	—2,500	5,198	3,398	—103
1975	10,354	—371	3,707	—8,280	—921	332	6,276	1,656	937
1972 *1*	843	—104	636	— 390	— 64	117	103	— 97	331
2	1,328	— 96	705	— 351	— 65	173	527	— 165	—119
3	1,060	— 88	704	— 410	— 56	433	268	75	—310
4	1,282	— 83	751	— 567	— 45	413	448†	33	—282
1973 *1*	1,053	— 95	805	— 725	— 35	21	153	150†	436†
2	1,697	— 68	714	— 693	—139	239	915	23	—345
3	1,522	— 84	814	— 688	—163	216	624	222	—211
4	1,638	— 74	766	— 817	—186	— 7	798	376	—164
1974 *1*	1,817	— 95	750	—1,554	— 89	— 689	972	818	542
2	1,812	— 74	754	— 738	—185	— 957	984	879	17
3	2,229	— 75	697	—1,236	—250	— 638	1,457	796	—129
4	2,605	— 69	751	—1 765	—176	— 216	1,785	905	—533
1975 *1*	2,671	—102	799	—2,559	—114	131	1,770	449	323
2	2,449	— 90	883	—1,757	—223	5	1,476	357	142
3	2,643	— 93	965	—1,905	—319	72	1,585	555	12
4	2,591	— 86	1,060	—2,059	—265	124	1,445	295	460
1976 *1*	2,593	—114	1,052	—2,521	— 13	181	1,427	33	893
2	2,727	—102	1,075	—2,315	— 95†	521†	1,550	533	—194
3									
4									

[1] Excluding financial transactions in writing-off debt. [2] Before providing for depreciation stock appreciation and addition to reserves
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress. [4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress. [5] Equals apart from the change in sign, the current balance of payments accounts, *plus* capital transfers. [6] The residual error in the national income accounts.


£ million, seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
−200
−400
−600
−800
− 1,000
− 1,200
− 1,400
− 1,600
− 1,800
−2,000
− 2,200
− 2,400
− 2,600
1971
1972
1973
1974
1975
1976

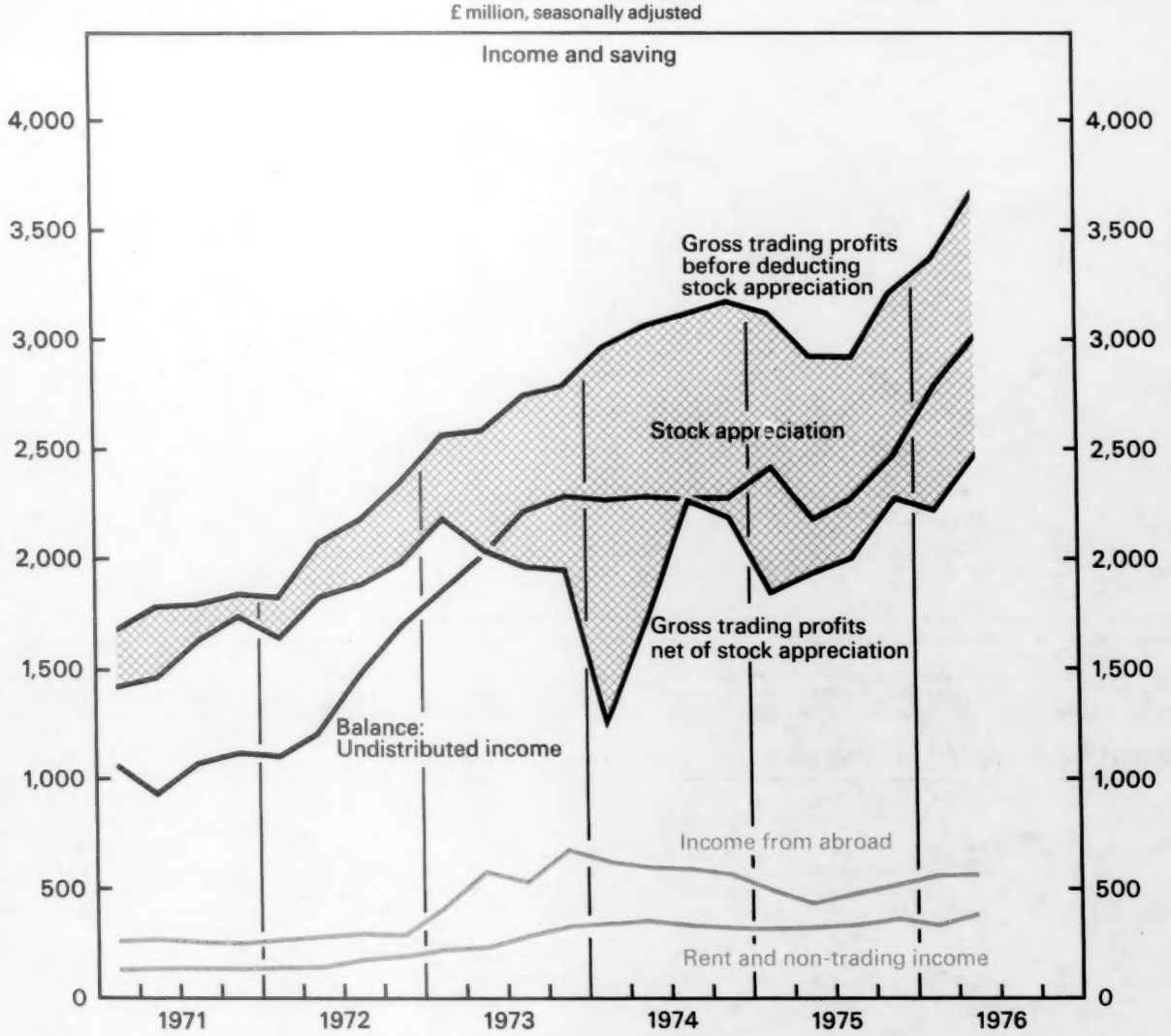
Appropriation account of industrial and commercial companies†

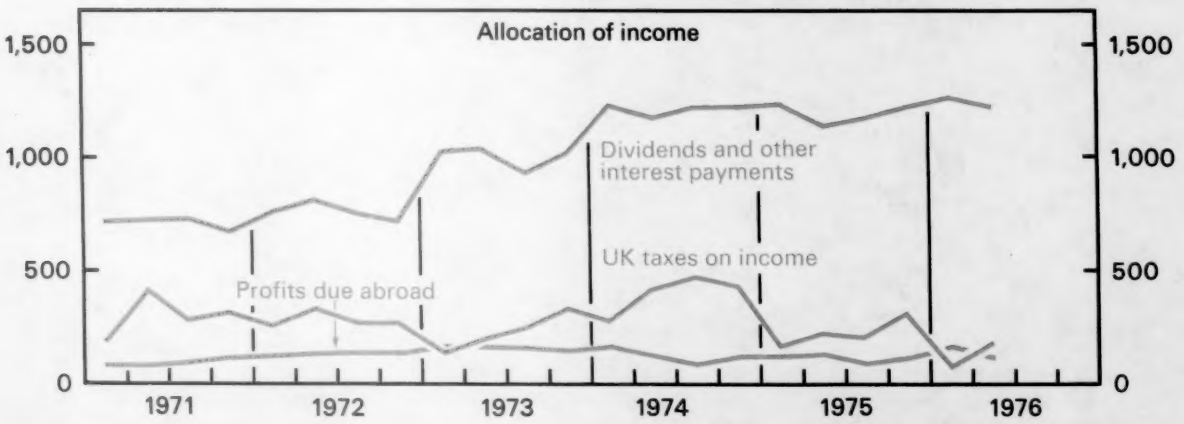
£ million Seasonally adjusted

	Income							Allocation of income						
	Income arising in the United Kingdom							Dividends and interest, etc.						
	Gross trading profits			Rent and non-trading income										
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[6]
1966	5,967	4,671	298	4,969	356	99	642	1,509	923	555	199	509	2,827	*460*
1967	6,033	4,854	148	5,002	368	95	663	1,463	941	548	206	771	2,652	*515*
1968	6,867	5,193	470	5,663	448	138	756	1,434	1,067	656	312	814	3,240	*702*
1969	7,246	5,211	590	5,801	497	165	948	1,554	1,220	757	260	920	3,292	*812*
1970	7,715	5,294	891	6,185	505	151	1,025	1,378	1,304	802	322	1,264	3,447	*1,037*
1971	8,621	6,244	831	7,075	520	137	1,026	1,530	1,320	792	399	1,198	4,174	*1,329*
1972	10,179	7,360	1,067	8,427	632	196	1,120	1,524	1,515	969	522	1,123	5,495	*1,586*
1973	13,922	8,144	2,546	10,690	1,044	503	2,188	1,638	2,369	1,805	626	923	8,366	*2,350*
1974	16,041	7,425	4,908	12,333	1,340	695	2,368	1,517	3,336	2,716	489	1,595	9,104	*4,012*
1975	15,429	8,058	4,107	12,165	1,330	618	1,934	1,483	3,279	2,671	434	894	9,339	*3,410*
1971 *1*	2,064	1,406	271	1,677	129	37	258	382	334	209	98	191	1,059	*287*
2	2,170	1,454	323	1,777	132	37	261	389	335	200	97	418	931	*333*
3	2,176	1,637	154	1,791	130	33	255	403	330	194	99	275	1,069	*348*
4	2,211	1,747	83	1,830	129	30	252	356	321	189	105	314	1,115	*361*
1972 *1*	2,228	1,638	189	1,827	133	29	268	435	320	190	121	250	1,102	*359*
2	2,493	1,840	227	2,067	142	37	284	460	353	225	128	337	1,215	*355*
3	2,642	1,890	293	2,183	170	60	289	346	408	265	137	269	1,482	*414*
4	2,816	1,992	358	2,350	187	70	279	283	434	289	136	267	1,696	*458*
1973 *1*	3,179	2,196	364	2,560	218	93	401	531	498	383	163	135	1,852	*480*
2	3,417	2,039	558	2,597	231	102	589	503	538	399	162	199	2,015	*479*
3	3,543	1,959	789	2,748	275	135	520	314	613	452	155	250	2,211	*614*
4	3,783	1,950	835	2,785	320	173	678	290	720	571	146	339	2,288	*777*
1974 *1*	3,937	1,233	1,740	2,973	344	185	620	468	767	644	161	278	2,263	*938*
2	4,004	1,725	1,332	3,057	348	190	599	345	832	660	124	411	2,292	*1,063*
3	4,048	2,268	854	3,122	333	170	593	353	870	691	89	473	2,263	*1,035*
4	4,052	2,199	982	3,181	315	150	556	351	867	721	115	433	2,286	*976*
1975 *1*	3,926	1,846	1,269	3,115	313	143	498	409	834	704	116	159	2,408	*883*
2	3,680	1,937	984	2,921	321	146	438	322	816	646	128	220	2,194	*851*
3	3,733	2,000	911	2,911	338	158	484	356	810	635	85	202	2,280	*974*
4	4,090	2,275	943	3,218	358	171	514	396	819	686	105	313	2,457	*702*
1976 *1*	4,261	2,222	1,143	3,365	340	148	556	462	794	659	160	69	2,776	*850*
2	4,634	2,483	1,201	3,684	386	181	564	353	870	697	123	184	3,104	*840*
	Percentage change, quarter on corresponding quarter of previous year													
1974 *3*	*+14·3*	*+15·8*	*+ 8·2*	*+13·6*	*+21·1*	*+25·9*	*+14·0*	*+12·4*	*+41·9*	*+52·9*	*−42·6*	*+89·2*	*+ 2·4*	*+68·6*
4	*+ 7·1*	*+12·8*	*+17·6*	*+14·2*	*− 1·6*	*−13·3*	*−18·0*	*+21·0*	*+20·4*	*+26·3*	*−21·2*	*+27·7*	*− 0·1*	*+25·6*
1975 *1*	*− 0·3*	*+49·7*	*−27·1*	*+ 4·8*	*− 9·0*	*−22·7*	*−19·7*	*−12·6*	*+ 8·7*	*+ 9·3*	*−28·0*	*−42·8*	*6·4*	*− 5·9*
2	*− 8·1*	*+12·3*	*−26·1*	*− 4·4*	*− 7·8*	*−23·2*	*−26·9*	*− 6·7*	*− 1·9*	*− 2·1*	*+ 3·2*	*−46·5*	*4·3*	*−19·9*
3	*− 7·8*	*−11·8*	*+ 6·7*	*− 6·8*	*+ 1·5*	*− 7·1*	*−18·4*	*+ 0·8*	*− 6·9*	*− 8·1*	*− 4·5*	*−57·3*	*+ 0·8*	*− 5·9*
4	*+ 0·9*	*+ 3·5*	*− 4·0*	*+ 1·2*	*+13·7*	*+14·0*	*− 7·6*	*+12·8*	*− 5·5*	*− 4·9*	*− 8·7*	*−27·7*	*+ 7·5*	*−28·1*
1976 *1*	*+ 8·5*	*+20·4*	*− 9·9*	*+ 8·0*	*+ 8·6*	*+ 3·5*	*+11·6*	*+13·0*	*− 4·8*	*− 6·4*	*+37·9*	*−56·6*	*+15·3*	*− 3·7*
2	*+25·9*	*+28·2*	*+22·1*	*+26·1*	*+20·2*	*+24·0*	*+28·8*	*+ 9·6*	*+ 6·6*	*+ 7·9*	*− 3·9*	*−16·4*	*+41·5*	*− 1·3*

[1] Before providing for depreciation and stock appreciation.
[2] These items are included solely as a memorandum item.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] The residual of all companies payments and accruals of financial companies taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) *less* increases in balance of deductions of income tax, from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the second quarter of 1976 the amount of advance corporation tax included was £170 million.
[5] Before providing for depreciation, stock appreciation and additions to reserves.
[6] This item is not now included in total income, but is shown in order to provide a reconciliation with the former definition of total company income as shown in *National Income and Expenditure 1965–75*.

£ million, seasonally adjusted





Sources and uses of capital funds of industrial and commercial companies

£ million

	Sources of funds						Uses of funds					
	Total	Undistributed income[1]	Capital transfers	Bank borrowing[2], loans and mortgages	UK capital issues by listed companies (net)	Overseas[3]	Taxes on capital and capital transfers	Gross domestic fixed capital formation	Increase in value of stocks and work in progress	Acquisition of financial assets: Liquid assets[4,5]	Acquisition of financial assets: Other[6]	Unidentified items (residual)
1971	7,153	4,174	595	969	375	1,040	41	3,470	759	1,241	939	703
1972	10,593	5,495	409	3,146	616	927	29	3,796	943	2,348	1,916	1,561
1973	15,959	8,366	373	5,298	158	1,764	26	4,718	3,526	2,568	3,424†	1,697†
1974	16,284†	9,104	364	4,469	— 13	2,360†	31	5,848	6,089	39	3,011	1,266
1975	13,937	9,339	442	1,119†	1,022	2,015	39	7,028	2,382	2,453†	2,304	— 267
1973 *1*	3,260	1,560	101	1,195	33	371	15	1,081	664	208	787†	505†
2	3,477	2,141	81	697	80	478	4	1,107	717	397	680	572
3	3,866	2,126	108	1,323	19	290	4	1,176	1,008	1,270	350	58
4	5,356	2,539	83	2,083	26	625	3	1,354	1,137	693	1,607	562
1974 *1*	4,269†	1,810	105	1,463	— 6	897†	16	1,256	1,564	— 265	654	1,044
2	4,374	2,576	83	1,221	— 13	507	3	1,379	1,903	232	317	540
3	3,764	2,072	87	989	14	602	6	1,502	1,577	18	526	135
4	3,877	2,646	89	796	— 8	354	6	1,711	1,045	54	1,514	— 453
1975 *1*	3,344	2,110	119	785	25	305	22	1,591	620	162	275	674
2	3,444	2,358	82	402	329	273	5	1,655	524	457†	1,344	— 541
3	3,142	2,158	123	— 283†	319	825	6	1,954	469	1,377	— 348	— 316
4	4,007	2,713	118	215	349	612	6	1,828	769	457	1,033	— 184
1976 *1*	3,652	2,643	112	— 6	218	755	26	1,598	839	101	908	188
2	5,203	3 311	100	937	429	426	6	1,696	883	670	792	1,152
3												
4												

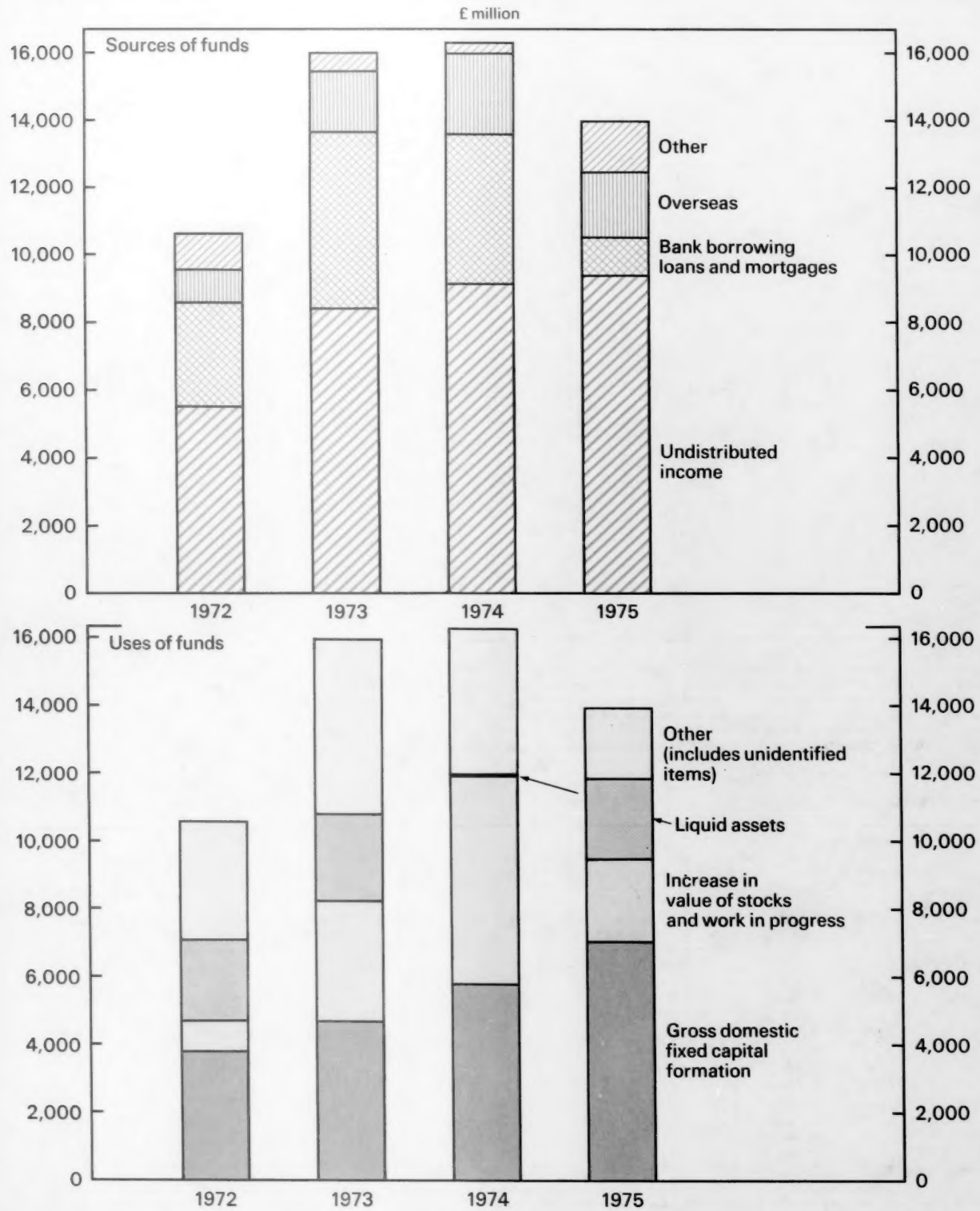
[1] Before providing for depreciation, stock appreciation and additions to reserves.
[2] After addition of 40 per cent of the excess of debit over credit transit items. [3] Other than investments included in UK capital issues.
[4] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items; includes tax deposit accounts from 2nd quarter 1973. [5] Including certificates of tax deposits from October 1975 (for further information see *Financial Statistics: Notes and Definitions*)
[6] Including figures of large companies transactions in British government securities (for further information see *Financial Statistics: Notes and Definitions*)

Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:	Local authority temporary debt	Deposits with banking sector[1,2]	Deposits with building societies	Deposits with finance houses[1]	Other identified[1,3]	Total identified[1]	Bank advances[1,4]
1972 *1*	276	4,642 / 4,817	168	256 / 101	178 / 173	5,520 / 5,535	7,235 / 7,606
2	314	5,333	188	113	157	6,105	8,688
3	350	5,993	188	122	157	6,810	8,960
4	359	6,851	188	136	157	7,691	9,730
1973 *1*	395	7,230 / 7,225	183	164 / 162	88	8,060 / 8,053	10,551 / 10,649
2	472	7 202	200	166	87	8,127	11,370
3	488†	8,487	175	186	85	9,421	12,561
4	483	9,126	160	169	85	10,023	14,421
1974 *1*	519	8,949	149	133	54	9 804	15,423
2	509	8,897	149	140	52	9,747	16,772
3	518	9,142	149	104	168	10,081	17,387
4	484	9,038	132	97	97	9,848	18,019
1975 *1*	424	9,336	123	128	58	10,069	18,316
2	415	9,999† / 9,473	136	138	115 / 112	10,793† / 10,274	19,287† / 17,489
3	434	10,378	135	124	385	11,456	17,562
4	459	10,710 / 10,700	135	141	355	11,800 / 11,790	17,679 / 17,727
1976 *1*	443	10,684	152	78	568	12,025	17,726
2	425	11,110	159	187	756	12,637	19,156
3	415	12,119	153				19,958
4							

[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.
[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit. [3] Treasury bills, tax reserve certificates and tax deposit accounts.
[4] Including refinanceable export and shipbuilding credits with effect from mid-May 1972.


£ million
Sources of funds
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Other
Overseas
Bank borrowing loans and mortgages
Undistributed income
1972
1973
1974
1975
Uses of funds
Other (includes unidentified items)
Liquid assets
Increase in value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1970	913	893	20	1,315	829	486
1971	1,666	1,648	18	1,856	1,625	231
1972	−1,026	−1,030	4	6,434	5,511	923
1973	1,995	1,134	861	6,828	5,671	1,157
1974	701	− 370	1,071	4,671	3,734	937
1975	3,364	3,081	283	143	− 382	525
1971 *3*	503	504	− 1	604	559	45
4	691	677	14	588	584	4
1972 *1*[4]	− 359	− 359	—	1,610	1,456	154
2	− 809	− 813	4	1,875	1,632	243
3	98	103	− 5	1,108	926	182
4	57	52	5	1,828	1,484	344
1973 *1*[4]	461†	418†	43	1,464+	1,175+	289
2	316	79	237	1,163	1,112	51
3	509	166	343	2,115	1,705	410
4	543	305	238	2,252	1,845	407
1974 *1*	116	− 147	263	1,267	944	323
2	− 390	− 606	216	1,590	1,365	225
3	48	− 52	100	1,398	1,250	148
4	927	435	492	416	175	241
1975 *1*	436	138	298	61	102	− 41
2[5]	1,224	1,236	− 12	285	46	239
3	1,642	1,642	—	− 171	− 485	314
4[4]	62	65	− 3	− 36	− 49	13
1976 *1*	148	131	17+	104	127	23+
2	− 154	− 208	54	905	944	− 39
3	947	791	156	1,132	911	221
4						

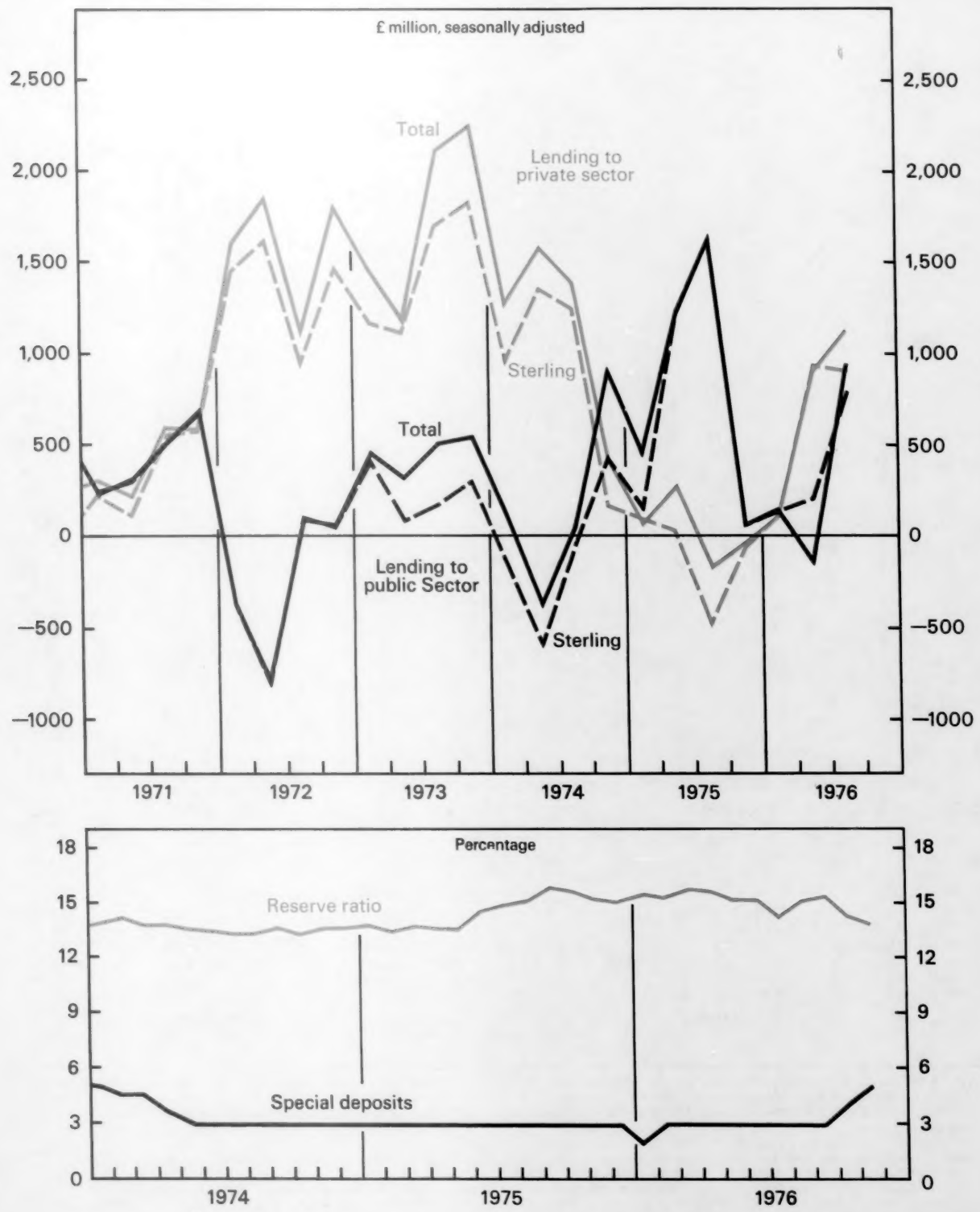
[1] UK banking sector: changes in assets.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year. They have been revised in this issue to take account of later information.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

Banks' reserve ratio

Unadjusted

	£ million		Per cent			£ million		Per cent	
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]		Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]
At mid-month					**At mid-month**				
1975 *A*	32,322	22,135	13·7	3	1976 *A*	33,919	22,797	15·6	3
M	32,605+	22,227+	13·7	3	*M*	33,740	22,750	15·2	3
		22,721			*J*	34,029	23,116	15·2	3
J	32,371	22,477	14·6	3	*J*	34,989	23,771	14·2	3
J	33,205	23,151	15·0	3	*A*	35,181	23,976	15·1	3
A	33,044	22,767	15·1	3	*S*	35,793	24,398	15·4	3
S	32,987	22,851	15·9	3	*O*	36,613	25,217	14·4	4
O	33,367	22,986	15·7	3	*N*	37,246	26,057	13·9	5
N	33,451	23,033	15·2	3	*D*				
D	33,345	22,764	15·1	3					
1976 *J*	33,048	22,493	15·5	2					
F	33,206	22,933	15·4	3					
M	33,108	22,561	15·8	3					

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.


£ million, seasonally adjusted
2,500
2,000
1,500
1,000
500
0
−500
−1000
Total
Lending to private sector
Sterling
Total
Lending to public Sector
Sterling
1971
1972
1973
1974
1975
1976
Percentage
18
15
12
9
6
3
0
Reserve ratio
Special deposits
1974
1975
1976

Interest rates, security prices and yields

Percentage rate

		Last Friday							Last working day	Average of working days				
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	London clearing banks: Inter-bank (3 month rate)[5]	Sterling certificates of deposit (3 months)	Interest on US$ deposits in London (3 months)[6]	Building Societies Association recommended rate on shares[7]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100: Price index	Dividend yield	Earnings yield[8]
1965		6	5·60	6⅜	6	4	6½ – 6⅜	..	5·25	4·00	6·42	337·3	5·74	9·12
1966		7	6·64	7¼ – 7 5/16	7	5	7 5/16 – 7⅜	..	6·56	4·25	6·80	331·9	5·98	8·52
1967		8	7·63	7¾ – 7⅞	8	6	8 1/16 – 8 3/16	..	6·31	4·25	6·69	355·0	5·36	6·69
1968		7	6·89	7¾	7	5	7 1/16 – 8	7⅜ – 7 1/16	7·13	4·50	7·39	463·3	4·05	4·99
1969		8	7·80	9 – 9 1/16	8	6	9⅜ – 9½	9½ – 9¼	10·06	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	7¼	7	5	7⅛ – 7¼	7 3/16 – 7 5/16	6·56	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	4½ – 4⅝	4½	2½	4⅜ – 4⅜	4⅜ – 4⅜	5·75	5·00	9·05	386·2	4·76	6·21
1972		9	8·48	8¾	7½	5¾	8⅞ – 9 1/16	8 1/16 – 9 1/16	5·91	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	16 –18⅛	13	9½	16 1/16 –16 5/16	15¾ –16	10·19	7·50	10·85	435·6	4·12	..
1974		11½	11·30	13½	12	9½	12 1/16 –12 1/16	12⅛ –12¾	10·06	7·50	14·95	251·2	8·23	21·47
1975		11¼	10·93	11¼ –11⅜	11	7	11 1/16 –11 3/16	11 –11⅛	5·88	7·00	14·66	311·0	6·81	19·49
1973	*O*	11¼	10·96	13 –13⅛	11	9½	12 1/16 –13	12 1/16 –12 1/16	9·19	7·50	11·31	434·7	4·34	9·81
	N	13	12·85	15 –15¼	13	9½	15½ –15 1/16	15⅜ –15¾	10·47	7·50	11·89	401·5	4·73	10·68
	D	13	12·82	16 –16⅛	13	9½	16 1/16 –16 3/16	15¾ –16	10·19	7·50	12·38	329·9	5·72	12·87
1974	*J*	12¾	12·40	16 –16¼	13	9½	16 1/16 –16 5/16	16⅛ –16⅜	8·88	7·50	12·79	324·8	5·83	13·30
	F	12½	12·18	14½ –14¾	13	9½	14¼ –14 7/16	14¼ –14⅜	8·63	7·50	13·49	316·5	5·84	13·77
	M	12½	12·35	16	13	9½	15⅜ –15 7/8	15⅜ –15¾	10·00	7·50	13·84	297·5	6·17	15·15
	A	12	11·82	13½ –13¾	12½	9½	13 7/16 –13⅜	13 9/16 –13 11/16	11·69	7·50	14·61	290·0	6·40	16·33
	M	11¾	11·54	12⅞ –13	12	9½	12 1/16 –12⅞	12¾ –12⅞	11·88	7·50	14·11	296·6	6·67	17·21
	J	11¾	11·56	13¼ –13½	12	9½	13⅛ –13½	13 7/16 –13 9/16	13·50	7·50	14·73	267·5	7·49	19·35
	J	11¾	11·51	13⅜	12	9½	13⅜ –13 9/16	13 7/16 –13 9/16	13·56	7·50	15·13	254·8	7·81	20·74
	A	11½	11·57	12⅜ –12¾	12	9½	12½ –12⅜	12½ –12⅜	13·94	7·50	15·65	222·9	8·91	23·94
	S	11½	11·29	12¼	12	9½	11 12/16 –12⅛	11⅞ –12	12·19	7·50	15·14	203·5	9·86	26·37
	O	11½	11·19	11¾	12	9½	11½ –11¾	11 9/16 –11 11/16	10·12	7·50	15·93	199·4	10·12	27·16
	N	11½	11·29	12¾ –12 7/8	12	9½	12½ –12¾	12 9/16 –12 11/16	10·62	7·50	16·89	181·0	11·09	30·10
	D	11½	11·30	13¼	12	9½	12½ –12 13/16	12⅜ –12¾	10·06	7·50	17·10	160·1	12·59	34·19
1975	*J*	11	10·58	12 –12¼	11½	9½	11¾ –12	11 13/16 –11 15/16	7·44	7·50	16·03	183·7	10·99	30·28
	F	10½	10·01	11½	11½	9	10¾ –11	10¾ –10⅞	7·31	7·50	14·94	262·6	7·56	21·66
	M	10	9·59	10½	10½	7½	9⅞ –10 1/16	9⅞ –10	6·97	7·50	13·92	292·6	6·80	20·35
	A	9¾	9·46	9¾	9½	6¼	9 9/16 – 9⅞	9 13/16 – 9 13/16	6·94	7·50	14·58	314·9	6·51	19·30
	M	10	9·67	10	9½	6¼	9⅞ –10	9 13/16 – 9 13/16	6·06	7·50	15·22	339·0	6·12	18·09
	J	10	9·71	9½ – 9⅝	9½	6¼	9⅜ – 9 13/16	9⅜ – 9¾	6·75	7·00	14·70	332·6	6·06	18·07
	J	11	10·72	10½ –10⅜	9½	6¼	10⅜ –10 11/16	10½ –10⅝	7·13	7·00	14·06	304·4	6·68	19·62
	A	11	10·66	10½	10	6½	10⅜ –10 9/16	10⅜ –10½	7·50	7·00	14·12	298·3	6·94	19·91
	S	11	10·76	10⅝ –10⅞	10	6½	10½ –10 11/16	10⅜ –10⅜	7·53	7·00	14·08	328·9	6·31	17·58
	O	12	11·74	11⅜ –11¾	11	7	11 9/16 –11¾	11 7/16 –11½	6·81	7·00	14·90	341·9	6·14	16·88
	N	11½	11·30	11⅜ –11 7/16	11	7	11⅛ –11⅜	11 7/16 –11 5/16	7·06	7·00	14·79	367·9	5·76	16·02
	D	11¼	10·93	11¼ –11⅜	11	7	11 1/16 –11 3/16	11 –11⅛	5·88	7·00	14·86	365·8	5·74	15·98
1976	*J*	10	9·52	9⅞ – 9 15/16	10½	6½	9⅜ – 9 11/16	9 7/16 – 9½	5·38	7·00	13·78	397·0	5·30	14·91
	F	9¼	8·80	9 – 9⅛	9½	5½	8¾ – 8⅞	8 1/16 – 8 1/16	5·63	7·00	13·54	404·2	5·17	14·99
	M	9	8·60	8⅝ – 8¾	9½	5½	8 9/16 – 8 11/16	8 7/16 – 8 9/16	5·59	7·00	13·95	404·7	5·12	15·01
	A	10½	10·20	10⅛ –10¼	9½	5½	9 13/16 –10 1/16	9⅞ – 9 15/16	5·53	7·00	13·97	406·0	5·13	15·17
	M	11½	11·31	11¼ –11⅜	10½	6½	11¼ –11 11/16	11 7/16 –11 7/16	6·63	6·50	13·72	406·6	5·26	15·19
	J	11½	11·30	11⅛ –11¼	10½	6½	11⅛ –11 7/16	11¼ –11⅜	6·09	6·50	14·01	378·6	5·69	16·14
	J	11½	11·17	11 3/16 –11¼	10½	6½	11 3/16 –11¼	11 3/16 –11¼	5·78	6·50	13·95	383·8	5·74	16·44
	A	11½	11·25	11⅛ –11¼	10½	6½	11⅛ –11 3/16	11 1/16 –11¼	5·69	6·50	14·11	368·1	6·03	17·55
	S	13	12·74	12¾ –12⅞	12	8½	12½ –12¾	12½ –12⅝	5·59	6·50	14·47	344·0	6·52	19·23
	O	15	14·97	15¼ –15½	14	11	15⅛ –15⅜	15 3/16 –15½	5·44	6·50	15·43	293·6	7·61	23·07
	N	14¾	14·54	15 –15¼	14	11	14¾ –14 13/16	14 9/16 –14 11/16	5·31	7·80	15·22	301·0	7·28	22·66
	D													

[1] Previously known as Bank rate. With effect from 13 October 1972, the Bank's minimum lending rate to the market will normally be ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above; the rate normally becomes effective, for lending by the Bank, from the following Monday. For changes in Bank rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

[3] For a minimum term of 3 months and thereafter at 7 days' notice.

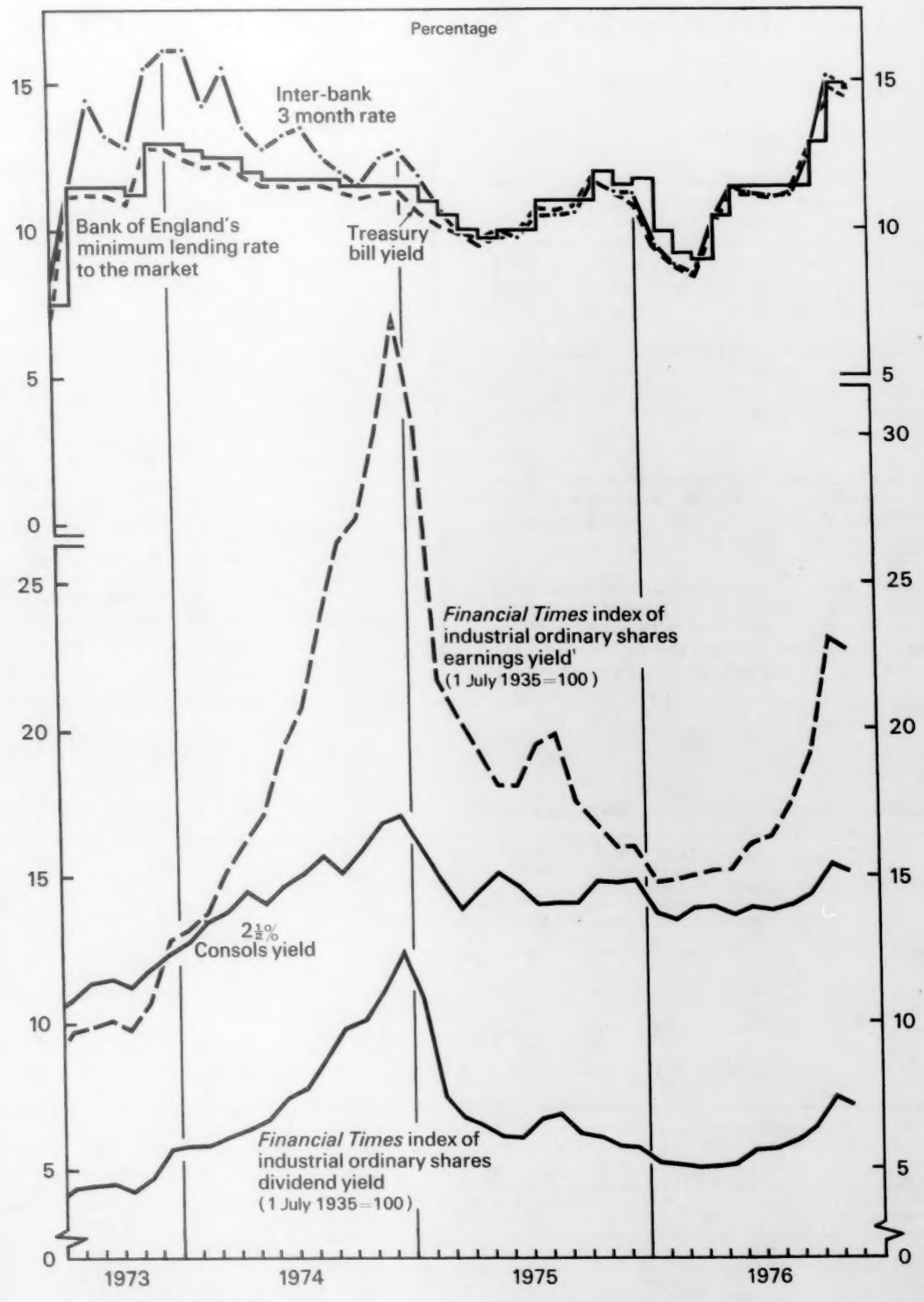
[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Middle-closing.

[7] Net of income tax where this is paid by societies at the agreed composite rate.

[8] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Notes and Definitions*. No meaningful average for the month of February is therefore available.



¹No figure available for February 1973

Cyclical indicators for the UK economy

Recent movements of the indicators

(data available to 10 December 1976)

The composite index of longer leading indicators fell again in November. This was due mainly to a sharp fall in the smoothed inverted short-term rate of interest. The movement of this index in recent months was confirmed by the fall in the total number of housing starts reported in October. The longer leading index has fallen continuously since April.

The composite index of shorter leading indicators rose in October mainly due to increased new car registrations in that month. A decrease in the number of bankruptcies in the third quarter has confirmed the rise in this composite index in recent months.

The composite index of coincident indicators rose slightly in October. A small fall in retail sales volume for October was insufficient to offset the reduction in those reporting below capacity working to the CBI.

Because of the lack of current employment data, there is little change in the composite lagging index this month. An increase in plant and machinery investment in manufacturing industry for the third quarter, however, has helped to confirm the increases in this index in recent months.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude and inversion where appropriate.

Most recent values of the composite indices[2]

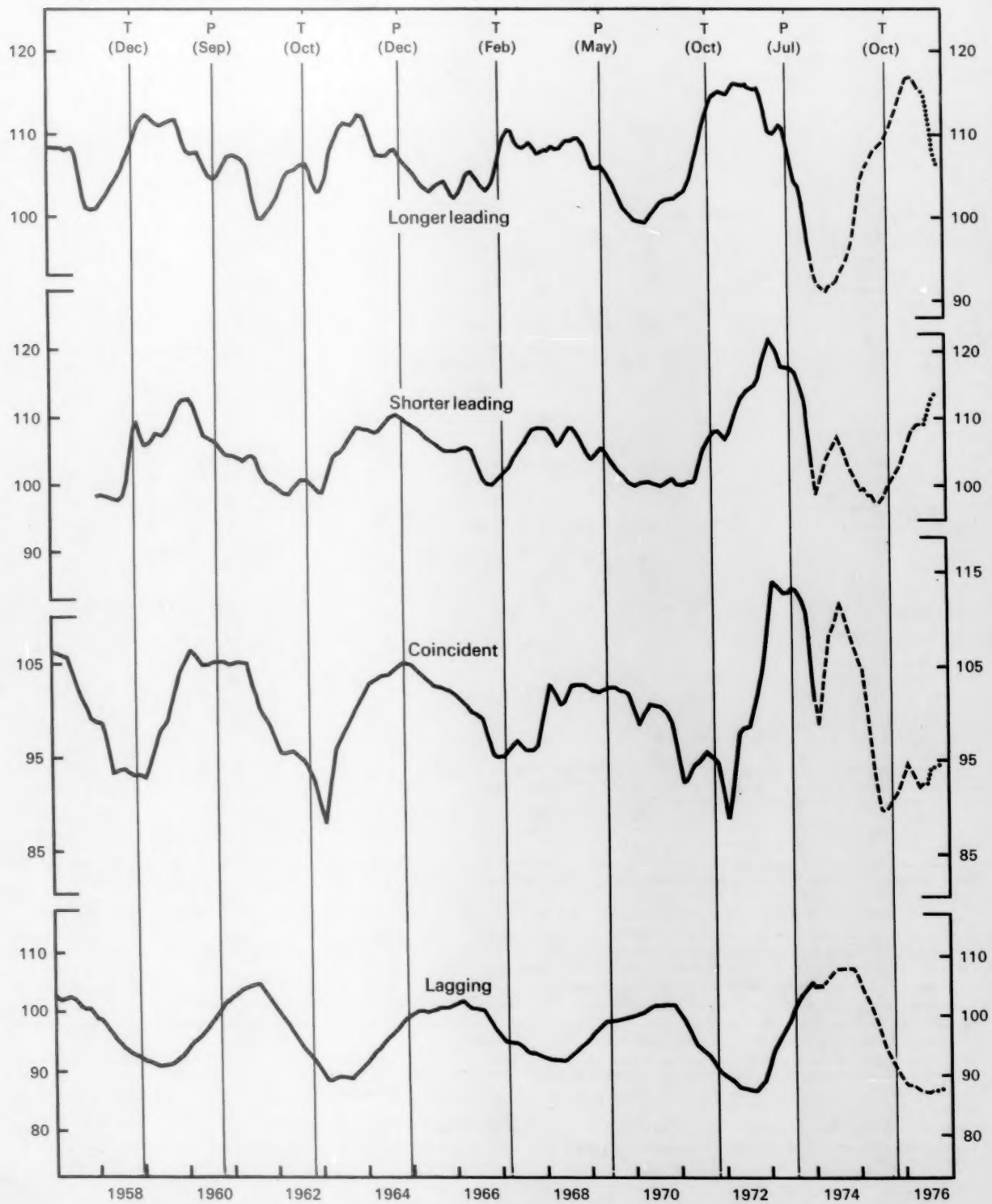
	January 1970 = 100											
	1975	1976										
	Dec.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.
Longer leading	112·6†	114·2	115·7	116·8	117·0	116·7	115·7	115·2	114·3	111·5	108·0	106·4
	4	*4*	*4*	*4*	*4*	*4*	*4*	*3*	*3*	*3*	*3*	*2*
Shorter leading	102·3†	103·6	105·1	106·8	108·2	108·8	108·9	108·9	110·7	112·4	113·6	..
	5	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*3*	*3*	*2*	
Coincident	92·4†	93·4	94·7	93·8	93·0	92·3	92·7	92·7	94·0	94·2	94·4	..
	6	*6*	*6*	*6*	*6*	*6*	*6*	*4*	*4*	*4*	*2*	
Lagging	89·2†	88·5	88·2	88·2	87·8	87·3	87·2	87·1	87·4	87·4	87·8	..
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*2*	

[1] A full explanation of the methodology used is given in *Economic Trends* for March 1975 and May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the Table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office 01–233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1970 = 100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1970 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1966 to 2nd quarter 1976	1·4	1·0	0·8	1·2	2	0·6
Income based	6	" " " " " " "	1·3	0·9	0·9	1·0	2	0·4
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	" " " " " " "	1·2	0·8	0·8	1·0	2	0·4
Consumers' expenditure	8,10	" " " " " " "	1·2	0·7	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	" " " " " " "	2·0	1·6	1·1	1·5	2	0·6
Manufacturing industry	18	" " " " " " "	3·4	2·6	2·4	1·1	2	0·3
Stockbuilding[2]								
Total	8,22	" " " " " " "	*104·3*	*75·7*	*60·8*	1·2	2	0·6
Manufacturing	22	" " " " " " "	*79·2*	*52·6*	*39·7*	1·3	2	0·6
Exports: goods and services	8	" " " " " " "	3·8	2·9	2·1	1·4	2	0·6
Imports: goods and services	8	" " " " " " "	3·0	2·2	1·8	1·2	2	0·5
Personal disposable income	10	" " " " " " "	1·8	1·3	1·1	1·2	2	0·5
Other national income series								
Gross trading profits of companies	58	" " " " " " "	4·4	2·6	3·2	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1963 to 4th quarter 1974	2·1	1·2	1·3	0·9	1	0·9
Money stock (M_3)[3]	50	1st quarter 1963 to 4th quarter 1974	2·7	0·5	2·7	0·2	1	0·2
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to December 1975	0·9	0·6	0·7	0·9	1	0·9
Total: constant prices	5,12	" " " " "	0·7	0·6	0·3	2·3	3	0·9
Food shops	12	" " " " "	0·7	0·6	0·2	3·7	4	1·0
Clothing and footwear shops	12	" " " " "	2·0	2·0	0·3	5·7	6	1·0
Durable goods shops	12	" " " " "	1·8	1·6	0·7	2·2	3	0·8
Other non-food shops	12	" " " " "	1·1	1·0	0·4	2·6	3	0·9
Cars: new regulations	5,12	January 1960 to September 1974	6·2	5·7	2·0	2·8	4	0·8
Housing: public authorities[4]								
Starts	20	January 1956 to December 1974	11·8	11·5	1·5	7·5	6	
Completions	20	" " " " "	8·0	7·9	1·1	7·2	6	
Housing; private								
Starts	20	" " " " "	7·9	7·6	2·2	3·5	4	0·9
Completions	20	" " " " "	5·7	5·8	1·0	5·8	6	0·9
Index of industrial production:								
All industries	5,26,28	January 1968 to August 1976	1·0	0·9	0·4	2·6	4	0·8
Manufacturing industries	26	" " " " "	1·2	1·1	0·4	2·8	4	0·7
Passenger car production:								
Home market	32	January 1968 to September 1974	5·9	5·6	1·2	4·8	6	0·8
Export	32	" " " " "	9·0	8·7	1·3	6·9	6	
Commercial vehicle production:								
Home market	32	" " " " "	6·6	6·3	1·1	5·6	6	0·9
Export	32	" " " " "	10·9	10·5	2·4	4·4	5	0·9
Unemployed excluding school-leavers[5]†	5,36	January 1961 to December 1975	*13·6*	*4·2*	*12·7*	0·3	1	0·3
Vacancies notified to employment offices[5]†	5,36	January 1960 to December 1975	*6·3*	*2·6*	*5·6*	0·5	1	0·5
Average earnings all industries and services covered	5,40	January 1963 to December 1973	0·8	0·4	0·7	0·6	1	0·6
Exports: value, f.o.b.	5,46	January 1963 to December 1975	3·3	3·0	1·2	2·6	3	0·8
Imports: value, f.o.b.	5,46	" " " " "	3·0	2·6	1·3	2·0	3	0·6

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in the August 1972 issue of *Economic Trends*. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3] and [5].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

Articles

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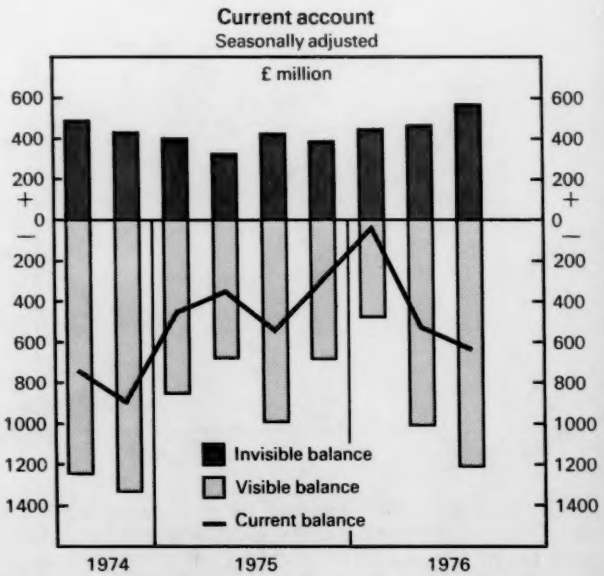
United Kingdom balance of payments in the third quarter of 1976

SUMMARY

In the third quarter of 1976 there was an aggregate deficit on current and capital accounts of £848 million. This was less than half the deficit in the previous quarter because the net outflow of investment and other capital, at £407 million was £855 million less than in the second quarter.

Seasonally adjusted, the current account is estimated to have been in deficit by £637 million in the third quarter compared with a deficit of £533 million in the previous quarter. The deficit on visible trade increased by some £200 million to £1,206 million, partly offset by a rise of some £100 million in the surplus on invisible transactions. The increased deficit on visible trade resulted from a 4½ per cent rise in the value of imports compared with a 2 per cent rise in the value of exports. The increased values of trade resulted from 5½ per cent increases in the unit value indicates for both imports and exports, partly offset in the case of exports by a 3 per cent fall in volume. The growth in the surplus on invisibles is largely attributable to private services. Earnings from travel increased sharply while payments were little changed. There were also increases in the receipts of some of the other services, notably financial and allied services and construction work overseas, but the net deficit on sea transport increased slightly.

Sterling came under pressure during September, the exchange rate against the dollar falling to a new low point of $1·6307 near the end of the month. There was an outflow associated with UK sterling liabilities and claims but of much smaller magnitude than in the previous quarter. Overseas official holdings of sterling balances fell by £355 million to about £2,760 million compared with a peak of about £4,900 million early in 1975 whereas the sterling balances of other holders rose by about £210 million to some £3,430 million. This rise was partly accounted for by a bank strike

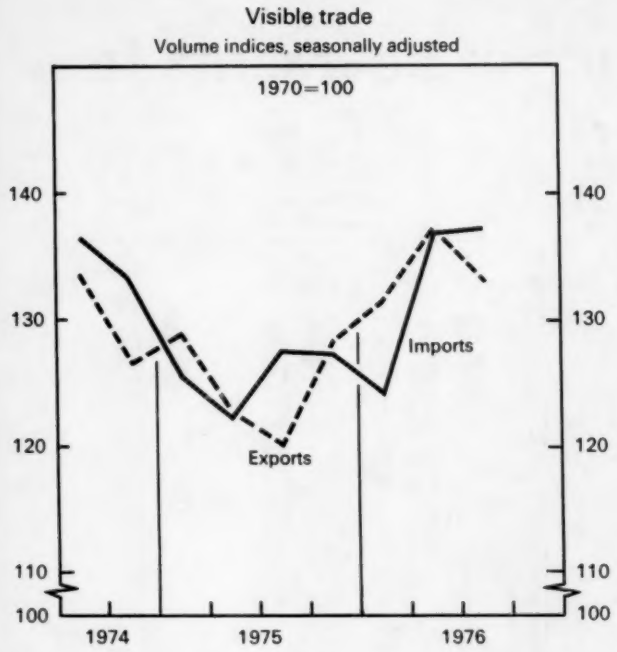


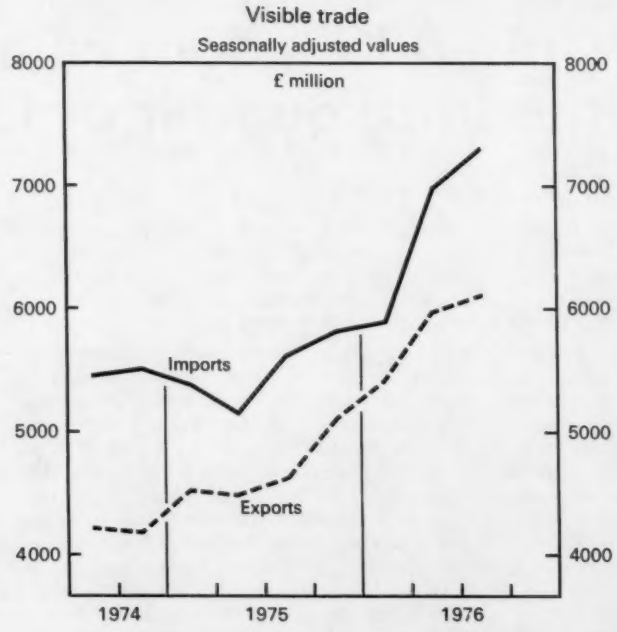
Summary balance of payments

TABLE A

	£ million								
			1975				1976		
	1974	1975	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr
			Seasonally adjusted						
Current account									
Visible balance	−5,220	−3,204	−852	−681	−989	−682	−478	−1,004	−1,206
Invisible balance	+1,897	+1,548	+403	+324	+434	+387	+445	+ 471	+ 569
CURRENT BALANCE	−3,323	−1,656	−449	−357	−555	−295	− 33	− 533	− 637
			Not seasonally adjusted						
Current balance	−3,323	−1,656	−668	−333	−540	−115	−261	− 481	− 508
Capital transfers	− 75	—	—	—	—	—	—	—	—
Investment and other capital flows	+1,617	+ 337	+125	+127	+360	−275	−269	−1,262	− 407
Balancing item	+ 109	− 160	+211	−375	− 30	+ 34	−112	− 181	+ 67
BALANCE FOR OFFICIAL FINANCING	−1,672	−1,479	−332	−581	−210	−356	−642	−1,924	− 848
Official financing									
Net transactions with:									
IMF	—	—	—	—	—	—	+573	+ 437	—
Other monetary authorities	—	—	—	—	—	—	—	+ 581	+ 309
Foreign currency borrowing:									
by HM Government (1)	+ 644	+ 423	+423	—	—	—	—	—	—
by public sector under exchange cover schemes	+1,107	+ 387	+ 45	+162	+ 43	+137	+277	+ 582	+ 492
Official reserves (drawings on, +/ additions to, −)	− 79	+ 669	−136	+419	+167	+219	−208	+ 324	+ 47

[1] Drawings on a euro-dollar facility for HM Government to borrow $2,500 million.





in the Irish Republic which led to an increase in sterling deposits by Irish residents. The outflow of sterling lending overseas by UK banks (representing export credit extended by UK banks and other external sterling claims) was, at some £240 million, a little more than half the figure for each of the two previous quarters.

The deficit of £848 million for official financing was met partly by further public sector net borrowing of £492 million under the exchange cover scheme and by drawing a further £309 million of the $5·3 billion short-term credit facility leaving £47 million which was met by drawing on the official reserves.

There is a sharp contrast in the aggregate deficit on current and capital accounts of some £3,410 million for the first nine months of 1976 compared with the deficit of about £1,120 million for the corresponding period of 1975. This is despite the current account deficit (before seasonal adjustment) being reduced by some £290 million to about £1,250 million and the inward and outward investment flows of the private sector having changed little in aggregate. The substantially increased outflows are mainly associated with banking liabilities and claims, the sterling balances of official holders abroad declining by some £920 million more than in the corresponding period of 1975 whilst the net outflow in respect of trade credit and other short-term flows increased by some £1,110 million. Furthermore the net inflow of foreign currency borrowing through UK banks (other than by the UK public sector) was reduced by some £560 million.

Visible trade

TABLE B

	1974	1975	1975 1st qtr	1975 2nd qtr	1975 3rd qtr	1975 4th qtr	1976 1st qtr	1976 2nd qtr	1976 3rd qtr
Value (£ million)					Seasonally adjusted				
Exports (f.o.b.)	15,899	18,768	4,531	4,479	4,632	5,126	5,419	5,992	6,121
Imports (f.o.b.)	21,119	21,972	5,383	5,160	5,621	5,808	5,897	6,996	7,327
Visible balance	− 5,220	− 3,204	− 852	− 681	− 989	− 682	− 478	−1,004	−1,206
Volume indices (1970 = 100)									
Exports	130·1	124·9	128·9	122·6	120·0	128·3	131·6	137·1	133·1
Imports	135·2	125·6	125·4	122·2	127·4	127·2	124·1	136·7	137·2
Unit value indices (1970=100)					Not seasonally adjusted				
Exports	162·7	198·5	184·9	193·4	202·2	210·1	219·0	234·2	247·4
Imports	218·0	245·7	240·5	241·1	247·1	260·4	270·0	293·6	309·3
Terms of trade[1]	74·6	80·8	76·9	80·2	81·8	80·7	81·1	79·8	80·0

[1] Export unit value index as a percentage of the import unit value index.

DETAIL

Current account

Visible trade (Seasonally adjusted)

In the third quarter of 1976 the deficit on visible trade was £1,206 million compared with £1,004 million in the second quarter. This increase of £202 million in the trade deficit resulted from a rise of £331 million in the value of imports compared with an increase of £129 million in the value of exports. In volume terms exports fell by 3 per cent and imports showed little change from their high second quarter levels. The terms of trade were little changed, the rise in the export unit value index of 5½ per cent being matched by a similar increase in the import unit value index.

The value of total exports rose by 2 per cent between the second and third quarters. Most of this rise was due to an increase of 3 per cent in exports to the EEC. In addition exports to Australia, New Zealand, South Africa and Japan increased in total by 7 per cent from the low second quarter level, and exports to oil exporting countries increased by 4½ per cent but deliveries to Western Europe other than the EEC showed no further rise from the high level in the previous quarter. Among the main commodity groups (measured on an Overseas Trade Statistics basis) exports of fuels increased by 18 per cent, metals and miscellaneous manufactures by 10 per cent and chemicals by 6 per cent.

The total value of imports increased by 4½ per cent. Imports from oil exporting countries rose by 25 per cent, those from Australia, New Zealand, Japan and South Africa rose in total by 17 per cent, and from Western Europe other than the EEC they increased by 14 per cent. Imports from the EEC however fell by 2½ per cent. Among the main commodity groups (measured on an Overseas Trade Statistics basis) imports of road motor vehicles increased by 20 per cent, fuels increased by 12 per cent and basic industrial materials by 10 per cent. Imports of food, beverages and tobacco however fell by 1 per cent between the quarters.

Invisibles (Seasonally adjusted)

Earnings on invisible transactions increased in the quarter by £223 million to £3,477 million, while debits increased by only £125 million to £2,908 million. As a consequence the net earnings on invisibles rose considerably, to £569 million, compared with £471 million in the previous quarter. Most of this increase was attributable to private services, particularly travel.

Net earnings on the travel account increased to £165 million, a rise of £50 million from the previous quarter. The number of visitors from all sources, and their average expenditure, continued to increase, whereas, with fewer visitors going abroad and the fall in the value of sterling the travel expenditure by UK residents remained at much the same level as in the previous quarter.

Net earnings on other services are estimated at about £450 million, an increase of £33 million over the previous quarter. These include increases in earnings from financial services, particularly of merchanting profits which increased by £10 million to £34 million, and in the earnings from construction work overseas. These latter rose by £16 million from their level in the second quarter (now put at £94 million) to an estimated £110 million. There were small rises in most other credit items included under other services. Debits on other services were some £15 million higher than in the previous quarter, an increase in payments for services to North Sea installations more than offsetting a fall in commission paid on exports.

The net debit of £30 million on sea transport operations compared with £21 million in the previous quarter. There was a renewal of activity of UK dry cargo carriers, owing partly to continuing sterling depreciation; the freight earned by UK vessels on cross-trades rose by 20 per cent, but the increases were more than offset by additional disbursements overseas. Among tankers the major increases were on freight earnings and on voyage charters. The associated disburse-

Invisibles

TABLE C

	Seasonally adjusted								
	£ million								
			1975				1976		
	1974	1975	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr
Services (net)									
Government	− 540	− 629	−148	−148	−168	−165	−181	−193	−151
Private[1]	+1,451	+1,688	+394	+414	+449	+431	+537	+568	+649
Total	+ 911	+1,059	+246	+266	+281	+266	+356	+375	+498
Interest, profits and dividends (net)									
Public	− 363	− 545	−125	−127	−151	−142	−145	−172	−181
Private	+1,755	+1,494	+341	+309	+411	+433	+426	+447	+465
Total	+1,392	+ 949	+216	+182	+260	+291	+281	+275	+284
Transfers (net)									
Government	− 320	− 379	− 51	− 96	− 89	−143	−158	−170	−207
Private	− 86	− 81	− 8	− 28	− 18	− 27	− 34	− 9	− 6
Total	− 406	− 460	− 59	−124	−107	−170	−192	−179	−213
Invisible balance	+1,897	+1,548	+403	+324	+434	+387	+445	+471	+569

[1] Including public corporations.

ments abroad on these activities increased to a lesser extent and there was a slight fall in payments to overseas shipping for freight on imports. Net earnings from civil aviation reached £63 million, compared with £56 million in the second quarter. This increase was due in great part to the continued depreciation of sterling, which encouraged air travel by overseas residents to the United Kingdom and increased the sterling value of all tickets sold abroad. The marked increase in passenger revenue was particularly noticeable in the Middle East market.

The deficit on government services and transfers in the third quarter, at £358 million, was much the same as in the previous quarter. This deficit has been running at a high level this year and the total for the first three quarters, at £1,060 million, is £360 million more than in the corresponding period last year, mostly because of higher payments, although receipts were down a little. During the third quarter receipts for military services were £37 million higher but receipts from EEC institutions were £21 million lower, due in part to changes in the method of paying the compensatory amounts on agricultural products imported from the EEC. (These payments are no longer received from the EEC as a public transfer and subsequently paid out to traders, but in general are now made direct by the exporting countries to traders.) On the debit side economic grants made by the United Kingdom increased by £18 million; subscriptions to the EEC fell by £21 million but subscriptions to other international organisations increased by the same amount.

Net earnings in the form of interest, profits and dividends, provisionally estimated at £284 million, were a little higher than in each of the first two quarters of the year. The increase of £18 million in the surplus of the private sector was partially offset by the increase of £9 million in the public sector net payments. The earnings of UK companies (excluding oil companies) on their direct investment overseas are estimated to have been about £15 million higher than in the second quarter but there was little change between the two quarters in the earnings of overseas companies on their direct investments in the United Kingdom. The overseas earnings of UK oil companies remained at the same level as in the first two quarters, while foreign companies continued to incur losses on their UK operations. UK banks increased their net earnings on borrowing and lending in both overseas currencies and sterling.

Investment and other capital flows (not seasonally adjusted)
Identified investment and other capital flows in the third quarter resulted in a net outflow of £407 million, following the very large outflow now estimated to be £1,262 million in the second quarter.

A decrease in the sterling balances accounted for £146 million of this outflow of £407 million. The outflow resulting from net withdrawals by overseas central monetary institutions was largely offset by the net deposits of sterling by private holders. *Exchange reserves in sterling* of overseas central monetary institutions fell £355 million, having fallen over £900 million in the second quarter. Of this, £26 million was accounted for by the fall in holdings of British government stocks, and £329 million by holdings of banking and money market liabilities. As in the second quarter, it was the oil exporting countries that most reduced their holdings. The holdings of sterling in their reserves have fallen by £1 billion in the latest six month period, and by £1·9 billion since their peak holdings of just under £3·5 billion at the beginning of 1975. In contrast, there was an increase of some £90 million in the holdings of sterling in the reserves of EEC countries between the second and third quarters. An increase of over £200 million in *other external banking and money market liabilities in sterling* was partly due to the increase in sterling deposits of Irish residents resulting from the Irish bank strike.

There was a net outflow of £181 million from UK banks' transactions (excluding those on behalf of the UK public sector) in foreign currency deposits and loans (*overseas currency borrowing or lending (net) by UK banks*). This followed a net inflow now estimated to have been £144 million in the second quarter. Borrowing to finance UK investment overseas continued to exceed repayments, by £25 million in the third quarter. Other foreign currency transactions of UK banks resulted in a net outflow of £206 million.

Total investment and other capital flows

TABLE D

	Not seasonally adjusted								
£ million			1975				1976		
	1974	1975	1st qtr	2nd qtr	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr
Official long-term capital	− 276	− 288	− 73	− 39	− 26	−150	− 36	− 26	− 7
Overseas investment in UK public sector[1]	+ 250	+ 45	+ 66	+ 2	− 52	+ 29	+ 25	+ 14	+ 67
Overseas investment in UK private sector	+2,238	+1,795	+351	+241	+680	+523	+766	+ 335	+398
UK private investment overseas	−1,169	−1,383	−376	−573	− 93	−341	−531	− 421	−364
Overseas currency borrowing or lending (net) by UK banks[1]	− 299	+ 235	− 83	+774	− 14	−442	+156	+ 144	−181
Changes in external sterling liabilities	+1,558	− 66	+247	− 17	−379	+ 83	− 77	− 918	−146
Trade credit[2] and other short-term flows⊘	− 685	− 1	− 7	−261	+244	+ 23	−572	− 390	−174
Total investment and other capital flows	+1,617	+ 337	+125	+127	+360	−275	−269	−1,262	−407
⊘ *of which* UK banks external sterling claims	− 564	− 610	−158	−370	−102	+ 20	−469	− 440	−241

[1] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.
[2] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.

Trade credit and other short-term flows are estimated to have resulted in an outflow of £174 million compared with an outflow of £390 million in the second quarter. There was a net outflow of £150 million in net unrelated export credit extended from the United Kingdom (that is excluding credit extended to overseas affiliates or parents) compared with a net outflow of £291 million in the second quarter. The net inflow of unrelated import credit fell from £138 million in the second quarter to £85 million in the third quarter. Half of this fall related to net identified import credit on North Sea oil production installations. The outflow from UK banks in the form of sterling lending was about £240 million, more than half of which was probably associated with UK exports and forms part of the export credit estimate.

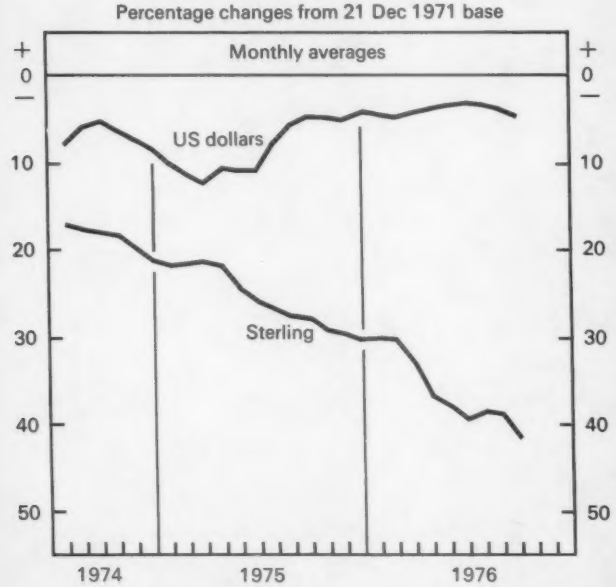
UK private investment overseas amounted to £364 million, rather less than the revised second quarter estimate of £421 million. In the third quarter, direct investment overseas by UK companies was £360 million, a decrease of £80 million compared with the second quarter. Much of this decrease reflects a smaller amount of trade credit extended by UK parents to their overseas subsidiaries than in the second quarter, when such credit was substantial and, in addition, UK companies were repaying credit previously received from their overseas subsdiaries. Unremitted profits increased however, and in the third quarter represented over three quarters of direct investment overseas. There was a further net disinvestment of £64 million resulting from transactions in overseas securities, compared with disinvestment of £33 million in the second quarter. (Accruals to the UK official reserves under the 25 per cent surrender requirement were £40 million, £1 million higher than in the previous quarter.) Oil and miscellaneous investment resulted in an outflow of £68 million.

Partially offsetting these transactions was *overseas investment in the UK private sector* of £398 million, about £65 million higher than in the second quarter. Direct investment in the United Kingdom by overseas companies was about £180 million. This represents an increase of almost £100 million on the second quarter level, and largely reflects the fact that, in the second quarter, UK subsidiaries were making substantial repayments of credit received from overseas parents and in addition extending credit to their overseas parents, whereas, in the third quarter, repayments of credit previously received were small. Foreign oil companies' investment in the United Kingdom continued at the same level as in the second quarter. There was a further drop in borrowing (net) directly from abroad for investment both in the United Kingdom and overseas. This drop resulted from a reduction in new borrowing and an increase in repayments.

There was an increase of over £60 million in the holdings of British government stocks by non-resident holders other than central monetary institutions. This largely accounts for the inflow of £67 million in *overseas investment in the UK public sector*.

Effective exchange rates

Percentage changes from 21 Dec 1971 base



Balancing item

The balancing item, which is derived as the discrepancy between the use (or accruals) of official financing and the identified deficit (or surplus) implied by the estimates of current account, investment and other capital transactions, was positive at £67 million. It includes unidentified timing and valuation differences between transactions and settlements, aggravated by fluctuating exchange rates and errors and omissions including unidentified capital flows. A number of the figures, particularly in the accounts for investment and other capital flows, are preliminary estimates and are liable to substantial revision as later and more complete information becomes available.

Official financing

There was a deficit of £848 million to be met by official financing. It was only necessary to draw £47 million from the official reserves because there was net public sector borrowing under the exchange cover scheme of £492 million and £309 million ($515 million) was drawn during September on the $5·3 billion short-term credit facility bringing the total drawn to $1,545 million.

Exchange rates

During July and August, despite fluctuations, the sterling exchange rate changed relatively little but in September the rate fell sharply, particularly in the second half of the month and reached a record low of $1·6307. After the application for further borrowing from the IMF had been announced, the rate rallied to $1·6680 at the end of the quarter which represented a 44·6 per cent depreciation of the sterling effective exchange rate since December 1971. For the quarter overall, the depreciation in the effective exchange rate averaged 39·7 per cent compared with 38·0 per cent in the previous quarter. The average of the daily closing middle market exchange rates between sterling and the US dollar was £1 = $1·7664 compared with £1 = $1·8052 in the preceding quarter.

REVISIONS

Years 1973–1975

The net effects of various revisions have been to reduce the current account deficits in 1973 and 1974 by £24 million each year and, in 1975, by £17 million. Changes to the capital account were virtually confined to 1975. A further £75 million of foreign currency borrowing by UK companies for investment overseas has been identified for 1975 partly within the overall estimate of UK banks overseas currency borrowing. The estimate of portfolio investment overseas has been reduced by £22 million and changes to the estimates of sterling claims and other commercial short-term flows have increased the inflow by £87 million. As a result the balancing item of +£6 million for 1975 has changed to −£160 million with smaller changes in 1973 and 1974.

First half of 1976 (not seasonally adjusted)

Changes, mainly in the non-monetary gold coverage adjustment, have reduced the import figure by £33 million. Estimates of government services and contractors' earnings overseas have been revised. Direct investment earnings have been increased by £36 million and payments by £74 million. Net earnings on civil aviation have been increased by £47 million principally because of revised estimates for overseas airlines. These and other changes are largely offsetting and the current account deficit has been reduced by £6 million.

The estimates of direct investment overseas and in the United Kingdom have been increased by £69 million and £19 million respectively. With more information, the previous estimate of overseas investment in the UK private sector (other than direct or portfolio) has been increased by £92 million largely in respect of oil companies' investment. The previous provisional estimates of export and import credit have been increased by £40 million and £9 million respectively. Changes to the estimates of sterling claims and other commercial short-term flows have increased the outflow by £62 million. The overall effect has been to reduce the negative balancing item in the first half of 1976 by £25 million.

Central Statistical Office

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APPENDIX

United Kingdom balance of payments
Summary

TABLE 1

£ million

	Seasonally adjusted			Not seasonally adjusted							
									Official financing		
	Visible trade	Invisibles	**Current balance**	Current balance	Capital transfers	Investment and other capital flows[5]	Balancing item	**Balance for official financing**[6]	Allocation of SDR and gold subscription to IMF	Net transactions with overseas monetary authorities[1]	Foreign currency borrowing by: HM Government[2]	Foreign currency borrowing by: Public sector under ECS	Official reserves[1, 3]
1965	− 223	+ 197	**− 26**	− 26	—	− 326	− 1	**− 353**	—	+ 599	—	—	− 246
1966	− 66	+ 167	**+ 101**	+ 101	—	− 578	− 70	**− 547**	− 44	+ 625[4]	—	—	− 34
1967	− 554	+ 256	**− 298**	− 298	—	− 600[5]	+227	**− 671**	—	+ 556[4]	—	—	+ 115
1968	− 667	+ 395	**− 272**	− 272	—	−1,006[5]	−132	**−1,410**	—	+1,296	—	—	+ 114
1969	− 156	+ 616	**+ 460**	+ 460	—	− 165	+392	**+ 687**	—	− 699	—	+ 56	− 44
1970	− 25	+ 758	**+ 733**	+ 733	—	+ 573	− 19	**+1,287**	+133	−1,295	—	—	− 125
1971	+ 280	+ 804	**+1,084**	+1,084	—	+1,817	+245	**+3,146**	+125	−1,817	—	+ 82	−1,536
1972	− 702	+ 856	**+ 154**	+ 154	—	− 714	−705	**−1,265**	+124	+ 449	—	—	+ 692
1973	−2,334	+1,622	**− 712**	− 712	−59	− 39	+ 21	**− 789**	—	—	—	+ 999	− 210
1974	−5,220	+1,897	**−3,323**	−3,323	−75	+1,617	+109	**−1,672**	—	—	+644	+1,107	− 79
1975	−3,204	+1,548	**−1,656**	−1,656	—	+ 337	−160	**−1,479**	—	—	+423	+ 387	+ 669
1968 *1*	− 166	+ 78	**− 88**	− 126	—	− 264[5]	−129	**− 519**	—	+ 530	—	—	− 11
2	− 219	+ 119	**− 100**	− 56	—	− 451[5]	− 14	**− 521**	—	+ 505	—	—	+ 16
3	− 156	+ 123	**− 33**	− 59	—	+ 38[5]	− 3	**− 24**	—	+ 38	—	—	− 14
4	− 126	+ 75	**− 51**	− 31	—	− 329[5]	+ 14	**− 346**	—	+ 223	—	—	+ 123
1969 *1*	− 131	+ 155	**+ 24**	− 9	—	+ 47	+234	**+ 272**	—	− 252	—	—	− 20
2	− 53	+ 150	**+ 97**	+ 159	—	− 63	− 34	**+ 62**	—	− 93	—	+ 20	+ 11
3	+ 32	+ 136	**+ 168**	+ 152	—	− 93	−139	**− 80**	—	+ 43	—	+ 33	+ 4
4	− 4	+ 175	**+ 171**	+ 158	—	− 56	+331	**+ 433**	—	− 397	—	+ 3	− 39
1970 *1*	+ 55	+ 204	**+ 259**	+ 245	—	+ 464	+206	**+ 915**	+171	−1,010	—	—	− 76
2	− 52	+ 193	**+ 141**	+ 171	—	+ 227	−171	**+ 227**	—	− 193	—	—	− 34
3	− 81	+ 181	**+ 100**	+ 81	—	− 161	−122	**− 202**	—	+ 150	—	—	+ 52
4	+ 53	+ 180	**+ 233**	+ 236	—	+ 43	+ 68	**+ 347**	− 38	− 242	—	—	− 67
1971 *1*	− 58	+ 197	**+ 139**	+ 64	—	+ 595	+263	**+ 922**	+125	− 894	—	+ 51	− 204
2	+ 104	+ 188	**+ 292**	+ 352	—	+ 336	− 85	**+ 603**	—	− 508	—	+ 31	− 126
3	+ 180	+ 225	**+ 405**	+ 382	—	+ 477	−191	**+ 668**	—	− 92	—	—	− 576
4	+ 54	+ 194	**+ 248**	+ 286	—	+ 409	+258	**+ 953**	—	− 323	—	—	− 630
1972 *1*	− 134	+ 232	**+ 98**	—	—	− 11	+ 68	**+ 57**	+124	+ 10	—	—	− 191
2	− 66	+ 231	**+ 165**	+ 224	—	− 863	−406	**−1,045**	—	+ 999	—	—	+ 46
3	− 284	+ 208	**− 76**	− 120	—	− 18	+ 59	**− 79**	—	− 560	—	—	+ 639
4	− 218	+ 185	**− 33**	+ 50	—	+ 178	−426	**− 198**	—	—	—	—	+ 198
1973 *1*	− 343	+ 231	**− 112**	− 306	−38	+ 77	+291	**+ 24**	—	—	—	+ 45	− 69
2	− 414	+ 410	**− 4**	+ 24	−19	+ 333	−242	**+ 96**	—	—	—	+ 281	− 377
3	− 628	+ 407	**− 221**	− 164	− 1	− 656	+199	**− 622**	—	—	—	+ 364	+ 258
4	− 949	+ 574	**− 375**	− 266	− 1	+ 207	−227	**− 287**	—	—	—	+ 309	− 22
1974 *1*	−1,288	+ 470	**− 818**	− 921	—	+ 495	+ 81	**− 345**	—	—	—	+ 306	+ 39
2	−1,355	+ 505	**− 850**	− 804	−29	+ 710	−201	**− 324**	—	—	—	+ 435	− 111
3	−1,242	+ 486	**− 756**	− 806	−40	+ 513	+327	**− 6**	—	—	—	+ 189	− 183
4	−1,335	+ 436	**− 899**	− 792	− 6	− 101	− 98	**− 997**	—	—	+644	+ 177	+ 176
1975 *1*	− 852	+ 403	**− 449**	− 668	—	+ 125	+211	**− 332**	—	—	+423	+ 45	− 136
2	− 681	+ 324	**− 357**	− 333	—	+ 127	−375	**− 581**	—	—	—	+ 162	+ 419
3	− 989	+ 434	**− 555**	− 540	—	+ 360	− 30	**− 210**	—	—	—	+ 43	+ 167
4	− 682	+ 387	**− 295**	− 115	—	− 275	+ 34	**− 356**	—	—	—	+ 137	+ 219
1976 *1*	− 478	+ 445	**− 33**	− 261	—	− 269	−112	**− 642**	—	+ 573	—	+ 277	− 208
2	−1,004	+ 471	**− 533**	− 481	—	−1,262	−181	**−1,924**	—	+1,018	—	+ 582	+ 324
3	−1,206	+ 569	**− 637**	− 508	—	− 407	+ 67	**− 848**	—	+ 309	—	+ 492	+ 47

[1] From July 1972, transactions with the IMF affecting the United Kingdom reserve position in the Fund are included as changes in the official reserves.
[2] Drawings on a euro-dollar facility for HM Government to borrow $2,500 million.
[3] Drawings on, +/additions to, −.
[4] Includes transfer of dollar portfolio to reserves.
[5] Includes EEA loss on forward commitments.
[6] Balance of current and capital transactions, including unidentified transactions, covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.

Current account

TABLE 2

£ million

Not seasonally adjusted

	Visible trade			Invisibles (net)			Invisibles (net)					
				Services		Total goods and services (net)	Interest, profits and dividends		Transfers			
	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Government	Private[1]		Public	Private	Government	Private	Invisible balance	Current balance
1965	4,848	5,071	− 223	−269	+ 215	− 277	−132	+ 567	−177	− 7	+ 197	− 26
1966	5,203	5,269	− 66	−290	+ 272	− 84	−156	+ 543	−180	−22	+ 167	+ 101
1967	5,139	5,693	− 554	−274	+ 384	− 444	−168	+ 546	−188	−44	+ 256	− 298
1968	6,282	6,949	− 667	−287	+ 583	− 371	−230	+ 563	−179	−55	+ 395	− 272
1969	7,075	7,231	− 156	−290	+ 634	+ 188	−324	+ 822	−177	−49	+ 616	+ 460
1970	7,907	7,932	− 25	−309	+ 722	+ 388	−257	+ 813	−177	−34	+ 758	+ 733
1971	8,810	8,530	+ 280	−322	+ 844	+ 802	−193	+ 693	−205	−13	+ 804	+1,084
1972	9,141	9,843	− 702	−356	+ 928	− 130	−141	+ 692	−210	−57	+ 856	+ 154
1973	11,772	14,106	−2,334	−414	+1,103	−1,645	−208	+1,591	−359	−91	+1,622	− 712
1974	15,899	21,119	−5,220	−540	+1,451	−4,309	−363	+1,755	−320	−86	+1,897	−3,323
1975	18,768	21,972	−3,204	−629	+1,688	−2,145	−545	+1,494	−379	−81	+1,548	−1,656
1968 *1*	1,545	1,748	− 203	− 70	+ 130	− 143	− 46	+ 137	− 58	−16	+ 77	− 126
2	1,527	1,714	− 187	− 72	+ 148	− 111	− 57	+ 168	− 44	−12	+ 131	− 56
3	1,534	1,719	− 185	− 73	+ 144	− 114	− 61	+ 167	− 38	−13	+ 126	− 59
4	1,676	1,768	− 92	− 72	+ 161	− 3	− 66	+ 91	− 39	−14	+ 61	− 31
1969 *1*	1,628	1,804	− 176	− 68	+ 135	− 109	− 59	+ 230	− 60	−11	+ 167	− 9
2	1,806	1,819	− 13	− 73	+ 168	+ 82	− 79	+ 213	− 42	−15	+ 172	+ 159
3	1,747	1,749	− 2	− 75	+ 163	+ 86	− 71	+ 191	− 42	−12	+ 154	+ 152
4	1,894	1,859	+ 35	− 74	+ 168	+ 129	−115	+ 188	− 33	−11	+ 123	+ 158
1970 *1*	1,914	1,886	+ 28	− 70	+ 190	+ 148	− 64	+ 223	− 54	− 8	+ 217	+ 245
2	2,021	2,073	− 52	− 78	+ 186	+ 56	− 52	+ 218	− 42	− 9	+ 223	+ 171
3	1,791	1,902	− 111	− 81	+ 170	− 22	− 49	+ 195	− 36	− 7	+ 192	+ 81
4	2,181	2,071	+ 110	− 80	+ 176	+ 206	− 92	+ 177	− 45	−10	+ 126	+ 236
1971 *1*	1,975	2,122	− 147	− 69	+ 179	− 37	− 48	+ 205	− 59	+ 3	+ 211	+ 64
2	2,313	2,182	+ 131	− 81	+ 205	+ 255	− 42	+ 188	− 45	− 4	+ 221	+ 352
3	2,200	2,041	+ 159	− 90	+ 219	+ 288	− 39	+ 182	− 46	− 3	+ 223	+ 382
4	2,322	2,185	+ 137	− 82	+ 241	+ 296	− 64	+ 118	− 55	− 9	+ 149	+ 286
1972 *1*	2,172	2,394	− 222	− 87	+ 228	− 81	− 22	+ 178	− 66	− 9	+ 222	—
2	2,381	2,412	− 31	− 75	+ 237	+ 131	− 20	+ 178	− 52	−13	+ 255	+ 224
3	1,909	2,240	− 331	− 97	+ 206	− 222	− 24	+ 191	− 49	−16	+ 211	− 120
4	2,679	2,797	− 118	− 97	+ 257	+ 42	− 75	+ 145	− 43	−19	+ 168	+ 50
1973 *1*	2,678	3,208	− 530	− 96	+ 244	− 382	− 46	+ 247	−102	−23	+ 224	− 306
2	2,898	3,287	− 389	− 96	+ 263	− 222	− 40	+ 438	−115	−37	+ 413	+ 24
3	2,898	3,479	− 581	−114	+ 272	− 423	− 40	+ 384	− 73	−12	+ 417	− 164
4	3,298	4,132	− 834	−108	+ 324	− 618	− 82	+ 522	− 69	−19	+ 568	− 266
1974 *1*	3,462	4,866	−1,404	−112	+ 305	−1,211	− 83	+ 498	−106	−19	+ 483	− 921
2	4,083	5,418	−1,335	−142	+ 373	−1,104	− 69	+ 461	− 77	−15	+ 531	− 804
3	4,028	5,281	−1,253	−138	+ 365	−1,026	− 97	+ 396	− 60	−19	+ 447	− 806
4	4,326	5,554	−1,228	−148	+ 408	− 968	−114	+ 400	− 77	−33	+ 436	− 792
1975 *1*	4,350	5,390	−1,040	−129	+ 413	− 756	−133	+ 316	− 87	− 8	+ 372	− 668
2	4,662	5,343	− 681	−153	+ 417	− 417	−113	+ 323	− 98	−28	+ 348	− 333
3	4,504	5,460	− 956	−176	+ 423	− 709	−148	+ 410	− 75	−18	+ 416	− 540
4	5,252	5,779	− 527	−171	+ 435	− 263	−151	+ 445	−119	−27	+ 412	− 115
1976 *1*	5,457	6,087	− 630	−163	+ 536	− 257	−144	+ 378	−204	−34	+ 369	− 261
2	6,039	7,013	− 974	−193	+ 587	− 580	−169	+ 439	−162	− 9	+ 493	− 481
3	5,931	7,070	−1,139	−168	+ 666	− 641	−174	+ 491	−178	− 6	+ 631	− 508

[1] Including public corporations.

Current account

TABLE 2 (*continued*)

£ million

Seasonally adjusted

	Visible trade			Invisibles (net)			Invisibles (net)					
				Services		Total goods and services (net)	Interest profits and dividends		Transfers			
	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Government	Private[1]		Public	Private	Government	Private	Invisible balance	Current balance
1965	4,848	5,071	− 223	−269	+ 215	− 277	−132	+ 567	−177	− 7	+ 197	− 26
1966	5,203	5,269	− 66	−290	+ 272	− 84	−156	+ 543	−180	−22	+ 167	+ 101
1967	5,139	5,693	− 554	−274	+ 384	− 444	−168	+ 546	−188	−44	+ 256	− 298
1968	6,282	6,949	− 667	−287	+ 583	− 371	−230	+ 563	−179	−55	+ 395	− 272
1969	7,075	7,231	− 156	−290	+ 634	+ 188	−324	+ 822	−177	−49	+ 616	+ 460
1970	7,907	7,932	− 25	−309	+ 722	+ 388	−257	+ 813	−177	−34	+ 758	+ 733
1971	8,810	8,530	+ 280	−322	+ 844	+ 802	−193	+ 693	−205	−13	+ 804	+1,084
1972	9,141	9,843	− 702	−356	+ 928	− 130	−141	+ 692	−210	−57	+ 856	+ 154
1973	11,772	14,106	−2,334	−414	+1,103	−1,645	−208	+1,591	−359	−91	+1,622	− 712
1974	15,899	21,119	−5,220	−540	+1,451	−4,309	−363	+1,755	−320	−86	+1,897	−3,323
1975	18,768	21,972	−3,204	−629	+1,688	−2,145	−545	+1,494	−379	−81	+1,548	−1,656
1968 *1*	1,531	1,697	− 166	− 76	+ 132	− 110	− 48	+ 131	− 45	−16	+ 78	− 88
2	1,489	1,708	− 219	− 70	+ 140	− 149	− 60	+ 166	− 45	−12	+ 119	− 100
3	1,616	1,772	− 156	− 70	+ 149	− 77	− 61	+ 161	− 43	−13	+ 123	− 33
4	1,646	1,772	− 126	− 71	+ 162	− 35	− 61	+ 105	− 46	−14	+ 75	− 51
1969 *1*	1,646	1,777	− 131	− 74	+ 139	− 66	− 72	+ 219	− 46	−11	+ 155	+ 24
2	1,748	1,801	− 53	− 72	+ 160	+ 35	− 87	+ 207	− 43	−15	+ 150	+ 97
3	1,833	1,801	+ 32	− 72	+ 167	+ 127	− 82	+ 184	− 49	−12	+ 136	+ 168
4	1,848	1,852	− 4	− 72	+ 168	+ 92	− 83	+ 212	− 39	−11	+ 175	+ 171
1970 *1*	1,936	1,881	+ 55	− 77	+ 194	+ 172	− 76	+ 214	− 43	− 8	+ 204	+ 259
2	1,961	2,013	− 52	− 77	+ 178	+ 49	− 63	+ 205	− 41	− 9	+ 193	+ 141
3	1,877	1,958	− 81	− 76	+ 177	+ 20	− 59	+ 187	− 41	− 7	+ 181	+ 100
4	2,133	2 080	+ 53	− 79	+ 173	+ 147	− 59	+ 207	− 52	−10	+ 180	+ 233
1971 *1*	2,010	2,068	− 58	− 75	+ 182	+ 49	− 58	+ 188	− 43	+ 3	+ 197	+ 139
2	2,265	2,161	+ 104	− 83	+ 195	+ 216	− 51	+ 175	− 44	− 4	+ 188	+ 292
3	2,293	2,113	+ 180	− 83	+ 231	+ 328	− 48	+ 179	− 51	− 3	+ 225	+ 405
4	2,242	2 188	+ 54	− 81	+ 236	+ 209	− 36	+ 151	− 67	− 9	+ 194	+ 248
1972 *1*	2,178	2,312	− 134	− 87	+ 234	+ 13	− 32	+ 174	− 48	− 9	+ 232	+ 98
2	2,290	2,356	− 66	− 82	+ 232	+ 84	− 30	+ 177	− 53	−13	+ 231	+ 165
3	2,060	2,344	− 284	− 89	+ 225	− 148	− 34	+ 180	− 58	−16	+ 208	− 76
4	2,613	2,831	− 218	− 98	+ 237	− 79	− 45	+ 161	− 51	−19	+ 185	− 33
1973 *1*	2,665	3,008	− 343	−106	+ 250	− 199	− 55	+ 249	− 84	−23	+ 231	− 112
2	2,839	3,253	− 414	− 96	+ 269	− 241	− 50	+ 439	−115	−37	+ 410	− 4
3	3,065	3,693	− 628	−113	+ 291	− 450	− 50	+ 372	− 81	−12	+ 407	− 221
4	3,203	4,152	− 949	− 99	+ 293	− 755	− 53	+ 531	− 79	−19	+ 574	− 375
1974 *1*	3,481	4,769	−1,288	−127	+ 320	−1,095	− 79	+ 459	− 84	−19	+ 470	− 818
2	4,008	5,363	−1,355	−137	+ 384	−1,108	− 90	+ 440	− 77	−15	+ 505	− 850
3	4,223	5,465	−1,242	−134	+ 370	−1,006	− 92	+ 431	− 70	−19	+ 486	− 756
4	4,187	5,522	−1,335	−142	+ 377	−1,100	−102	+ 425	− 89	−33	+ 436	− 899
1975 *1*	4,531	5,383	− 852	−148	+ 394	− 606	−125	+ 341	− 51	− 8	+ 403	− 449
2	4,479	5,160	− 681	−148	+ 414	− 415	−127	+ 309	− 96	−28	+ 324	− 357
3	4,632	5,621	− 989	−168	+ 449	− 708	−151	+ 411	− 89	−18	+ 434	− 555
4	5,126	5,808	− 682	−165	+ 431	− 416	−142	+ 433	−143	−27	+ 387	− 295
1976 *1*	5,419	5,897	− 478	−181	+ 537	− 122	−145	+ 426	−158	−34	+ 445	− 33
2	5,992	6,996	−1,004	−193	+ 568	− 629	−172	+ 447	−170	− 9	+ 471	− 533
3	6,121	7,327	−1,206	−151	+ 649	− 708	−181	+ 465	−207	− 6	+ 569	− 637

[1] Including public corporations.

Visible trade in the balance of payments

TABLE 3

	£ million							1970=100				
	Seasonally adjusted							Seasonally adjusted		Not seasonally adjusted		
	Exports			Imports				Volume indices		Unit value indices		
	Overseas Trade Statistics (f.o.b.)	Coverage adjustments	Balance of payments (f.o.b.)[1]	Overseas Trade Statistics (c.i.f.)	Valuation adjustments[2]	Coverage adjustments	Balance of payments (f.o.b.)[1]	Exports	Imports	Exports	Imports	Terms of trade[3]
1965	4,932	— 84	4,848	5,760	— 585	— 104	5,071	76·9	77·5	79·3	81·3	97·6
1966	5,275	— 72	5,203	5,951	— 581	— 100	5,269	79·9	79·0	82·2	82·6	99·6
1967	5,244	— 105	5,139	6,440	— 666	— 80	5,693	78·9	85·5	83·4	82·8	100·8
1968	6,442	— 159	6,282	7,900	— 778	— 173	6,949	88·5	94·0	90·0	92·7	97·1
1969	7,352	— 277	7,075	8,317	— 821	— 265	7,231	96·7	94·5	93·0	95·6	97·3
1970	8,076	— 169	7,907	9,040	— 901	— 207	7,932	100·0	100·0	100·0	100·0	100·0
1971	9,187	— 376	8,810	9,825	— 996	— 298	8,530	106·7	104·2	105·6	104·7	100·9
1972	9,759	— 618	9,141	11,143	—1,033	— 267	9,843	106·6	116·3	111·1	109·7	101·3
1973	12,505	— 733	11,772	15,852	—1,374	— 372	14,106	121·8	133·9	126·0	139·7	90·2
1974	16,600	— 701	15,899	23,234	—1,643	— 472	21,119	130·1	135·2	162·7	218·0	74·6
1975	19,929	—1,161	18,768	24,163	—1,604	— 587	21,972	124·9	125·6	198·5	245·7	80·8
1968 *1*	1,562	— 31	1,531	1,932	— 193	— 42	1,697	87·9	93·9	88·1	92·0	95·8
2	1,532	— 43	1,489	1,932	— 199	— 25	1,708	84·7	92·0	90·0	92·7	97·1
3	1,657	— 41	1,616	2,009	— 197	— 40	1,772	90·2	95·4	91·5	94·1	97·2
4	1,690	— 44	1,646	2,027	— 189	— 66	1,772	91·2	94·6	92·0	94·6	97·3
1969 *1*	1,689	— 43	1,646	2,024	— 207	— 40	1,777	90·1	93·0	93·1	94·6	98·4
2	1,802	— 54	1,748	2,097	— 204	— 92	1,801	95·1	95·4	93·1	95·6	97·4
3	1,922	— 89	1,833	2,086	— 205	— 80	1,801	100·8	95·4	93·4	96·6	96·7
4	1,939	— 91	1,848	2,110	— 205	— 53	1,852	100·8	94·2	94·3	98·2	96·0
1970 *1*	1,976	— 40	1,936	2,144	— 206	— 57	1,881	100·4	95·5	98·9	100·1	98·8
2	2,007	— 46	1,961	2,286	— 223	— 50	2,013	99·4	101·6	100·0	101·0	99·1
3	1,914	— 37	1,877	2,220	— 228	— 34	1 958	94·6	98·4	101·9	100·7	101·2
4	2,178	— 45	2,133	2,390	— 244	— 66	2,080	105·6	104·5	102·3	100·5	101·8
1971 *1*	2,057	— 47	2,010	2,378	— 255	— 55	2,068	99·5	103·9	104·1	102·3	101·8
2	2,339	— 74	2,265	2,463	— 253	— 49	2,161	110·4	105·1	105·3	105·7	99·7
3	2,394	— 101	2,293	2,450	— 245	— 92	2,113	110·3	102·2	107·3	106·5	100·7
4	2,397	— 154	2,242	2,534	— 244	— 101	2,188	106·4	105·5	109·0	105·8	103·0
1972 *1*	2,322	— 144	2,178	2,632	— 244	— 75	2,312	104·5	112·2	110·2	107·2	102·8
2	2,442	— 153	2,290	2,675	— 259	— 60	2,356	108·7	113·6	110·7	107·7	102·8
3	2,204	— 144	2,060	2,664	— 246	— 74	2,344	94·5	110·6	114·0	111·5	102·2
4	2,791	— 178	2,613	3,172	— 283	— 58	2,831	118·6	128·8	115·1	116·6	98·7
1973 *1*	2,825	— 161	2,665	3,355	— 296	— 50	3,008	117·0	128·1	119·3	123·4	96·7
2	3,027	— 188	2,839	3,684	— 324	— 108	3,253	120·3	129·6	123·8	133·1	93·0
3	3,240	— 175	3,065	4,178	— 356	— 128	3,693	124·8	136·9	129·1	146·7	88·0
4	3,412	— 209	3,203	4,635	— 398	— 85	4,152	125·3	141·1	136·1	162·0	84·0
1974 *1*	3,637	— 156	3,481	5,269	— 415	— 85	4,769	126·7	133·9	147·2	194·9	75·5
2	4,145	— 137	4,008	5,936	— 419	— 154	5,363	134·0	137·5	159·9	218·7	73·1
3	4,430	— 207	4,223	5,992	— 413	— 115	5,465	133·4	136·4	168·1	224·5	74·9
4	4,388	— 201	4,187	6,036	— 396	— 118	5,522	126·5	133·0	175·8	231·7	75·9
1975 *1*	4,781	— 250	4,531	5,879	— 374	— 122	5,383	128·9	125·4	184·9	240·5	76·9
2	4,744	— 265	4,479	5,632	— 385	— 87	5,160	122·6	122·2	193·4	241·1	80·2
3	4,940	— 307	4,632	6,191	— 415	— 155	5,621	120·0	127·4	202·2	247·1	81·8
4	5,464	— 338	5,126	6,462	— 430	— 223	5,808	128·3	127·2	210·1	260·4	80·7
1976 *1*	5,775	— 356	5,419	6,612	— 433	— 282	5,897	131·6	124·1	219·0	270·0	81·1
2	6,337	— 346	5,992	7,746	— 506	— 244	6,996	137·1	136·7	234·2	293·6	79·8
3	6.467	— 346	6,121	8,098	— 524	— 247	7,327	133·1	137·2	247·4	309·3	80·0

[1] Components and totals are rounded independently.
[2] Largely freight and insurance: see details in Table 4 of *United Kingdom Balance of Payments 1965-75.*
[3] Export unit value index as a percentage of the import unit value index.

Invisible transactions

TABLE 4

£ million

	Government services			Private services[1]											
				Sea transport			Civil aviation			Travel			Other services		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
1970	51	360	−309	1,361	1,437	− 76	316	266	+ 50	432	382	+ 50	1,208	510	+ 698
1971	59	381	−322	1,618	1,672	− 54	354	297	+ 57	486	439	+ 47	1,340	546	+ 794
1972	72	428	−356	1,610	1,687	− 77	410	333	+ 77	546	527	+ 19	1,499	590	+ 909
1973	104	518	−414	2,058	2,159	−101	480	396	+ 84	681	682	− 1	1,817	696	+1,121
1974	110	650	−540	2,675	2,780	−105	619	529	+ 90	837	683	+154	2,266	954	+1,312
1975	139	768	−629	2,648	2,636	+ 12	759	649	+110	1,114	875	+239	2,674	1,347	+1,327
Unadjusted															
1972 *1*	27	114	− 87	392	414	− 22	73	67	+ 6	81	72	+ 9	373	138	+ 235
2	15	90	− 75	387	409	− 22	103	79	+ 24	128	120	+ 8	365	138	+ 227
3	11	108	− 97	401	411	− 10	142	104	+ 38	208	238	− 30	366	158	+ 208
4	19	116	− 97	430	453	− 23	92	83	+ 9	129	97	+ 32	395	156	+ 239
1973 *1*	26	122	− 96	449	484	− 35	82	78	+ 4	97	93	+ 4	432	161	+ 271
2	19	115	− 96	479	510	− 31	124	98	+ 26	159	161	− 2	439	169	+ 270
3	22	136	−114	529	542	− 13	162	116	+ 46	268	308	− 40	456	177	+ 279
4	37	145	−108	601	623	− 22	112	104	+ 8	157	120	+ 37	490	189	+ 301
1974 *1*	40	152	−112	619	688	− 69	118	115	+ 3	123	95	+ 28	548	205	+ 343
2	21	163	−142	695	714	− 19	147	121	+ 26	195	160	+ 35	557	226	+ 331
3	22	160	−138	690	687	+ 3	202	153	+ 49	313	300	+ 13	558	258	+ 300
4	27	175	−148	671	691	− 20	152	140	+ 12	206	128	+ 78	603	265	+ 338
1975 *1*	47	176	−129	628	630	− 2	151	143	+ 8	172	122	+ 50	641	284	+ 357
2	33	186	−153	661	653	+ 8	180	150	+ 30	242	204	+ 38	661	320	+ 341
3	29	205	−176	676	665	+ 11	241	194	+ 47	446	384	+ 62	660	357	+ 303
4	30	201	−171	683	688	− 5	187	162	+ 25	254	165	+ 89	712	386	+ 326
1976 *1*	57	220	−163	687	698	− 11	189	152	+ 37	209	140	+ 69	776	335	+ 441
2	34	227	−193	744	762	− 18	258	191	+ 67	346	243	+103	797	362	+ 435
3	63	231	−168	802	808	− 6	339	234	+105	605	437	+168	813	414	+ 399
Seasonally adjusted															
1972 *1*	17	104	− 87	396	408	− 12	96	78	+ 18	137	131	+ 6	362	140	+ 222
2	16	98	− 82	393	413	− 20	101	80	+ 21	134	129	+ 5	364	138	+ 226
3	18	107	− 89	402	422	− 20	107	87	+ 20	134	130	+ 4	377	156	+ 221
4	21	119	− 98	419	444	− 25	106	88	+ 18	141	137	+ 4	396	156	+ 240
1973 *1*	15	121	−106	456	478	− 22	107	88	+ 19	150	152	− 2	418	163	+ 255
2	26	122	− 96	485	513	− 28	121	100	+ 21	167	161	+ 6	438	168	+ 270
3	22	135	−113	531	556	− 25	124	98	+ 26	180	186	− 6	471	175	+ 296
4	41	140	− 99	586	612	− 26	128	110	+ 18	184	183	+ 1	490	190	+ 300
1974 *1*	25	152	−127	630	681	− 51	146	126	+ 20	190	160	+ 30	528	207	+ 321
2	29	166	−137	702	713	− 11	144	126	+ 18	206	159	+ 47	555	225	+ 330
3	25	159	−134	686	704	− 18	155	129	+ 26	211	173	+ 38	579	255	+ 324
4	31	173	−142	657	682	− 25	174	148	+ 26	230	191	+ 39	604	267	+ 337
1975 *1*	30	178	−148	638	622	+ 16	185	158	+ 27	256	203	+ 53	617	319	+ 298
2	41	189	−148	667	651	+ 16	176	156	+ 20	268	213	+ 55	657	334	+ 323
3	33	201	−168	670	679	− 9	187	164	+ 23	304	219	+ 85	686	336	+ 350
4	35	200	−165	673	684	− 11	211	171	+ 40	286	240	+ 46	714	358	+ 356
1976 *1*	41	222	−181	699	688	+ 11	234	167	+ 67	317	238	+ 79	751	371	+ 380
2	37	230	−193	741	762	− 21	253	197	+ 56	365	250	+115	795	377	+ 418
3	74	225	−151	795	825	− 30	263	200	+ 63	411	246	+165	843	392	+ 451

[1] Including public corporations.

Invisible transactions

TABLE 4 (*continued*)

£ million

	Total services			Interest, profits and dividends			Government transfers			Private transfers			Total invisibles		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Invisible balance
1970	3,368	2,955	+ 413	1,446	890	+ 556	—	177	−177	192	226	− 34	5,006	4,248	+ 758
1971	3,857	3,335	+ 522	1,478	978	+ 500	—	205	−205	215	228	− 13	5,550	4,746	+ 804
1972	4,137	3,565	+ 572	1,741	1,190	+ 551	—	210	−210	231	288	− 57	6,109	5,253	+ 856
1973	5,140	4,451	+ 689	2,898	1,515	+1,383	63	422	−359	295	386	− 91	8,396	6,774	+1,622
1974	6,507	5,596	+ 911	3,177	1,785	+1,392	130	450	−320	355	441	− 86	10,169	8,272	+1,897
1975	7,334	6,275	+1,059	2,955	2,006	+ 949	363	742	−379	395	476	− 81	11,047	9,499	+1,548
Unadjusted															
1972 *1*	946	805	+ 141	411	255	+ 156	—	66	− 66	57	66	− 9	1,414	1,192	+ 222
2	998	836	+ 162	458	300	+ 158	—	52	− 52	57	70	− 13	1,513	1,258	+ 255
3	1,128	1,019	+ 109	435	268	+ 167	—	49	− 49	58	74	− 16	1,621	1,410	+ 211
4	1,065	905	+ 160	437	367	+ 70	—	43	− 43	59	78	− 19	1,561	1,393	+ 168
1973 *1*	1,086	938	+ 148	566	365	+ 201	3	105	−102	64	87	− 23	1,719	1,495	+ 224
2	1,220	1,053	+ 167	780	382	+ 398	7	122	−115	71	108	− 37	2,078	1,665	+ 413
3	1,437	1,279	+ 158	670	326	+ 344	25	98	− 73	77	89	− 12	2,209	1,792	+ 417
4	1,397	1,181	+ 216	882	442	+ 440	28	97	− 69	83	102	− 19	2,390	1,822	+ 568
1974 *1*	1,448	1,255	+ 193	874	459	+ 415	24	130	−106	85	104	− 19	2,431	1,948	+ 483
2	1,615	1,384	+ 231	816	424	+ 392	26	103	− 77	85	100	− 15	2,542	2,011	+ 531
3	1,785	1,558	+ 227	701	402	+ 299	26	86	− 60	90	109	− 19	2,602	2,155	+ 447
4	1,659	1,399	+ 260	786	500	+ 286	54	131	− 77	95	128	− 33	2,594	2,158	+ 436
1975 *1*	1,639	1,355	+ 284	705	522	+ 183	106	193	− 87	95	103	− 8	2,545	2,173	+ 372
2	1,777	1,513	+ 264	745	535	+ 210	78	176	− 98	100	128	− 28	2,700	2,352	+ 348
3	2,052	1,805	+ 247	699	437	+ 262	93	168	− 75	100	118	− 18	2,944	2,528	+ 416
4	1,866	1,602	+ 264	806	512	+ 294	86	205	−119	100	127	− 27	2,858	2,446	+ 412
1976 *1*	1,918	1,545	+ 373	794	560	+ 234	59	263	−204	105	139	− 34	2,876	2,507	+ 369
2	2,179	1,785	+ 394	898	628	+ 270	77	239	−162	105	114	− 9	3,259	2,766	+ 493
3	2,622	2,124	+ 498	922	605	+ 317	56	234	−178	105	111	− 6	3,705	3,074	+ 631
Seasonally adjusted															
1972 *1*	1,008	861	+ 147	418	276	+ 142	—	48	− 48	57	66	− 9	1,483	1,251	+ 232
2	1,008	858	+ 150	436	289	+ 147	—	53	− 53	57	70	− 13	1,501	1,270	+ 231
3	1,038	902	+ 136	454	308	+ 146	—	58	− 58	58	74	− 16	1,550	1,342	+ 208
4	1,083	944	+ 139	433	317	+ 116	—	51	− 51	59	78	− 19	1,575	1,390	+ 185
1973 *1*	1,146	1,002	+ 144	567	373	+ 194	3	87	− 84	64	87	− 23	1,780	1,549	+ 231
2	1,237	1,064	+ 173	759	370	+ 389	7	122	−115	71	108	− 37	2,074	1,664	+ 410
3	1,328	1,150	+ 178	698	376	+ 322	25	106	− 81	77	89	− 12	2,128	1,721	+ 407
4	1,429	1,235	+ 194	874	396	+ 478	28	107	− 79	83	102	− 19	2,414	1,840	+ 574
1974 *1*	1,519	1,326	+ 193	841	461	+ 380	24	108	− 84	85	104	− 19	2,469	1,999	+ 470
2	1,636	1,389	+ 247	786	436	+ 350	26	103	− 77	85	100	− 15	2,533	2,028	+ 505
3	1,656	1,420	+ 236	755	416	+ 339	26	96	− 70	90	109	− 19	2,527	2,041	+ 486
4	1,696	1,461	+ 235	795	472	+ 323	54	143	− 89	95	128	− 33	2,640	2,204	+ 436
1975 *1*	1,726	1,480	+ 246	734	518	+ 216	106	157	− 51	95	103	− 8	2,661	2,258	+ 403
2	1,809	1,543	+ 266	718	536	+ 182	78	174	− 96	100	128	− 28	2,705	2,381	+ 324
3	1,880	1,599	+ 281	719	459	+ 260	93	182	− 89	100	118	− 18	2,792	2,358	+ 434
4	1,919	1,653	+ 266	784	493	+ 291	86	229	−143	100	127	− 27	2,889	2,502	+ 387
1976 *1*	2,042	1,686	+ 356	851	570	+ 281	59	217	−158	105	139	− 34	3,057	2,612	+ 445
2	2,191	1,816	+ 375	881	606	+ 275	77	247	−170	105	114	− 9	3,254	2,783	+ 471
3	2,386	1,888	+ 498	930	646	+ 284	56	263	−207	105	111	− 6	3,477	2,908	+ 569

Government services and transfers

TABLE 5

£ million

	Credits				Debits									
	Services		Transfers		Services			Transfers						
	EEC institutions	Military and other	EEC institutions	Total credits	Military	Administrative, diplomatic, etc.	Total services	Economic grants	Subscriptions and contributions to international organisations: EEC	Subscriptions and contributions to international organisations: Other	Other transfers	Total transfers	Total debits	Government (net)
1970	—	51	—	51	301	59	360	85	—	54	38	177	537	– 486
1971	—	59	—	59	322	59	381	103	—	63	39	205	586	– 527
1972	—	72	—	72	355	73	428	100	—	60	50	210	638	– 566
1973	13	91	63	167	429	89	518	106	187	75	54	422	940	– 773
1974	19	91	130	240	553	97	650	118	186	85	61	450	1,100	– 860
1975	32	107	363	502	654	114	768	166	350	149	77	742	1,510	–1,008
Unadjusted														
1972 *1*	—	27	—	27	97	17	114	42	—	13	11	66	180	– 153
2	—	15	—	15	73	17	90	16	—	23	13	52	142	– 127
3	—	11	—	11	89	19	108	20	—	16	13	49	157	– 146
4	—	19	—	19	96	20	116	22	—	8	13	43	159	– 140
1973 *1*	—	26	3	29	101	21	122	44	28	20	13	105	227	– 198
2	5	14	7	26	94	21	115	17	64	29	12	122	237	– 211
3	5	17	25	47	112	24	136	22	50	12	14	98	234	– 187
4	3	34	28	65	122	23	145	23	45	14	15	97	242	– 177
1974 *1*	4	36	24	64	130	22	152	47	47	20	16	130	282	– 218
2	5	16	26	47	138	25	163	20	38	31	14	103	266	– 219
3	2	20	26	48	136	24	160	24	29	18	15	86	246	– 198
4	8	19	54	81	149	26	175	27	72	16	16	131	306	– 225
1975 *1*	5	42	106	153	150	26	176	62	66	44	21	193	369	– 216
2	9	24	78	111	157	29	186	26	95	36	19	176	362	– 251
3	8	21	93	122	176	29	205	34	88	27	19	168	373	– 251
4	10	20	86	116	171	30	201	44	101	42	18	205	406	– 290
1976 *1*	9	48	59	116	188	32	220	103	95	40	25	263	483	– 367
2	11	23	77	111	193	34	227	38	128	49	24	239	466	– 355
3	11	52	56	119	198	33	231	60	107	44	23	234	465	– 346
Seasonally adjusted														
1972 *1*	—	17	—	17	87	17	104	25	—	12	11	48	152	– 135
2	—	16	—	16	81	17	98	25	—	15	13	53	151	– 135
3	—	18	—	18	89	18	107	25	—	20	13	58	165	– 147
4	—	21	—	21	98	21	119	25	—	13	13	51	170	– 149
1973 *1*	—	15	3	18	99	22	121	27	28	19	13	87	208	– 190
2	5	21	7	33	101	21	122	26	64	20	12	122	244	– 211
3	5	17	25	47	112	23	135	27	50	15	14	106	241	– 194
4	3	38	28	69	117	23	140	26	45	21	15	107	247	– 178
1974 *1*	4	21	24	49	130	22	152	28	47	18	15	108	260	– 211
2	5	24	26	55	141	25	166	30	38	21	14	103	269	– 214
3	2	23	26	51	135	24	159	29	29	23	15	96	255	– 204
4	8	23	54	85	147	26	173	31	72	23	17	143	316	– 231
1975 *1*	5	25	106	136	151	27	178	36	66	35	20	157	335	– 199
2	9	32	78	119	160	29	189	38	95	21	20	174	363	– 244
3	8	25	93	126	173	28	201	42	88	33	19	182	383	– 257
4	10	25	86	121	170	30	200	50	101	60	18	229	429	– 308
1976 *1*	9	32	59	100	189	33	222	63	95	35	24	217	439	– 339
2	11	26	77	114	196	34	230	60	128	34	25	247	477	– 363
3	11	63	56	130	193	32	225	78	107	55	23	263	488	– 358

Interest, profits and dividends

TABLE 6

£ million

	Credits				Debits				Interest, profits and dividends (net)
	Direct Investment[1]	Portfolio investment	Other[2]	Total	Direct Investment[1]	Portfolio investment	Other[2]	Total	
1970	710	171	565	1,446	360	113	417	890	+ 556
1971	717	166	595	1,478	390	135	453	978	+ 500
1972	915	164	662	1,741	523	158	509	1,190	+ 551
1973	1,462	192	1,244	2,898	654	186	675	1,515	+1,383
1974	1,512	232	1,433	3,177	566	236	983	1,785	+1,392
1975	1,609	221	1,125	2,955	593	289	1,124	2,006	+ 949
Unadjusted									
1972 *1*	206	39	166	411	110	36	109	255	+ 156
2	233	40	185	458	141	44	115	300	+ 158
3	218	42	175	435	117	36	115	268	+ 167
4	258	43	136	437	155	42	170	367	+ 70
1973 *1*	300	43	223	566	186	43	136	365	+ 201
2	331	50	399	780	185	49	148	382	+ 398
3	384	51	235	670	125	45	156	326	+ 344
4	447	48	387	882	158	49	235	442	+ 440
1974 *1*	366	52	456	874	131	60	268	459	+ 415
2	402	66	348	816	155	55	214	424	+ 392
3	341	57	303	701	120	59	223	402	+ 299
4	403	57	326	786	160	62	278	500	+ 286
1975 *1*	375	51	279	705	151	66	305	522	+ 183
2	398	57	290	745	154	85	296	535	+ 210
3	396	56	247	699	123	68	246	437	+ 262
4	440	57	309	806	165	70	277	512	+ 294
1976 *1*	388	53	353	794	203	80	277	560	+ 234
2	468	59	371	898	264	103	261	628	+ 270
3	490	62	370	922	233	82	290	605	+ 317
Seasonally adjusted									
1972 *1*	220	40	158	418	116	38	122	276	+ 142
2	224	39	173	436	130	40	119	289	+ 147
3	223	40	191	454	141	39	128	308	+ 146
4	248	45	140	433	136	41	140	317	+ 116
1973 *1*	317	45	205	567	180	44	149	373	+ 194
2	335	48	376	759	172	46	152	370	+ 389
3	391	50	257	698	159	49	168	376	+ 322
4	419	49	406	874	143	47	206	396	+ 478
1974 *1*	368	55	418	841	134	58	269	461	+ 380
2	385	63	338	786	153	57	226	436	+ 350
3	359	56	340	755	133	59	224	416	+ 339
4	400	58	337	795	146	62	264	472	+ 323
1975 *1*	389	54	291	734	150	66	302	518	+ 216
2	393	54	271	718	155	74	307	536	+ 182
3	407	55	257	719	133	75	251	459	+ 260
4	420	58	306	784	155	74	264	493	+ 291
1976 *1*	429	56	366	851	207	80	283	570	+ 281
2	474	56	351	881	253	90	263	606	+ 275
3	491	61	378	930	257	93	296	646	+ 284

[1] Department of Industry inquiry into overseas direct investment. Credits exclude the earnings of UK oil companies; debits exclude the earnings of UK oil and insurance companies. [2] Including oil companies.

Investment and other capital flows

TABLE 7

Not seasonally adjusted

£ million

	Official long-term capital	Overseas investment in UK public sector[1]	Overseas investment in UK private sector	UK private investment overseas	Overseas currency borrowing or lending (net) by UK banks[1,2]: Borrowing to finance UK investment overseas	Overseas currency borrowing or lending (net) by UK banks[1,2]: Other borrowing or lending (net)	Exchange reserves in sterling: British government stocks	Exchange reserves in sterling: Banking and money market liabilities	Other external banking and money market liabilities in sterling	Import credit[3]	Export credit[3]	Other short-term flows	Total investment and other capital flows
1965	− 85	− 12	+ 238	− 368	+ 45	− 67	− 46	− 104	+ 52	+ 6	− 70	+ 85	− 326
1966	− 81	+ 35	+ 264	− 303	+ 15	−207	− 51	+ 22	− 72	− 6	−190	− 4	− 578
1967	− 59	+ 54	+ 360	− 456	+ 55	− 19	− 40	− 148	− 96	+ 13	−202	+ 43	− 495
1968	+ 17	+ 16	+ 567	− 727	+155	−170	− 22	− 158	−128	+ 75	−356	− 24	− 755
1969	− 99	− 56	+ 673	− 679	+ 72	−110	+237	+ 77	− 53	+153	−334	− 46	− 165
1970	−204	− 10	+ 838	− 789	+180	+292	+ 63	+ 130	+266	+ 14	−395	+188	+ 573
1971	−273	+107	+1,052	− 836	+280	+191	+ 55	+ 658	+709	+ 54	−287	+107	+1,817
1972	−255	+113	+ 752	−1,383	+725	−254	+ 65	+ 222	− 91	+196	−409	−395	− 714
1973	−254	+170	+1,595	−1,855	+595	− 60	+ 74	+ 87	− 7	+326	−552	−158	− 39
1974	−276	+250	+2,238	−1,169	+270	−569	−124	+1,534	+148	+162	−809	− 38	+1,617
1975	−288	+ 45	+1,795	−1,383	+250	− 15	+ 7	− 622	+549	+234	−636	+401	+ 337
1968 *1*	− 20	—	+ 91	− 194	+ 30	− 12	+ 10	+ 39	− 8	+ 23	− 68	− 35	− 144
2	+ 42	+ 10	+ 110	− 177	+ 18	+ 94	−100	− 174	− 69	+ 27	− 93	− 56	− 368
3	+ 8	+ 10	+ 252	− 132	+ 31	−107	+ 37	− 84	+ 47	+ 4	− 58	+ 53	+ 61
4	− 13	− 4	+ 114	− 224	+ 76	−145	+ 31	+ 61	− 98	+ 21	−137	+ 14	− 304
1969 *1*	− 28	− 31	+ 197	− 200	+ 34	− 20	+ 34	+ 142	− 54	+ 38	− 75	+ 10	+ 47
2	− 11	+ 23	+ 155	− 162	+ 15	− 36	+ 47	+ 2	+ 3	+ 69	−111	− 57	− 63
3	+ 29	− 65	+ 141	− 103	+ 9	− 16	+ 98	− 58	−101	+ 12	+ 8	− 47	− 93
4	− 89	+ 17	+ 180	− 214	+ 14	− 38	+ 58	− 9	+ 99	+ 34	−156	+ 48	− 56
1970 *1*	− 49	+ 3	+ 263	− 227	+ 12	+113	+ 30	+ 138	+115	+ 6	− 63	+123	+ 464
2	− 37	− 3	+ 283	− 160	+ 32	+ 91	+ 34	+ 41	+ 82	+ 36	−142	− 30	+ 227
3	− 20	− 23	+ 143	− 227	+ 60	− 84	+ 24	− 14	− 7	− 2	− 34	+ 23	− 161
4	− 98	+ 13	+ 149	− 175	+ 76	+172	− 25	− 35	+ 76	− 26	−156	+ 72	+ 43
1971 *1*	− 46	+ 70	+ 336	− 204	+ 45	+ 39	+ 57	+ 168	+ 60	+ 9	− 74	+135	+ 595
2	− 43	+ 7	+ 280	− 236	+120	+ 28	+ 36	+ 244	− 3	+ 6	− 97	− 6	+ 336
3	− 35	+ 5	+ 216	− 162	+ 60	− 32	− 40	+ 137	+240	+ 27	+ 13	+ 48	+ 477
4	−149	+ 25	+ 220	− 234	+ 55	+156	+ 2	+ 109	+412	+ 12	−129	− 70	+ 409
1972 *1*	− 43	+ 64	+ 149	− 343	+185	− 71	+ 70	+ 138	+ 3	+ 53	− 81	−135	− 11
2	− 39	+ 20	+ 173	− 373	+170	−302	− 8	+ 37	−167	+ 20	−157	−237	− 863
3	− 17	+ 22	+ 230	− 313	+195	+ 4	− 35	− 52	− 5	+ 19	− 24	− 42	− 18
4	−156	+ 7	+ 200	− 354	+175	+115	+ 38	+ 99	+ 78	+104	−147	+ 19	+ 178
1973 *1*	− 55	+ 43	+ 354	− 369	+175	−174	+ 18	+ 183	− 31	+ 56	−212	+ 89	+ 77
2	− 31	+ 20	+ 428	− 421	+ 75	+ 87	+ 92	− 3	+ 77	+ 82	− 52	− 21	+ 333
3	− 27	+ 21	+ 301	− 364	+140	−104	− 38	− 307	− 70	+ 30	−102	−136	− 656
4	−141	+ 86	+ 512	− 701	+205	+131	+ 2	+ 214	+ 17	+158	−186	− 90	+ 207
1974 *1*	− 53	+ 32	+ 907	− 357	+195	−256	+ 68	+ 164	− 53	+ 13	−125	− 40	+ 495
2	− 42	+107	+ 435	− 144	+125	− 69	−190	+ 421	+155	+ 93	−335	+154	+ 710
3	− 15	+ 30	+ 533	− 180	+ 20	−366	− 67	+ 622	+ 61	—	−109	− 16	+ 513
4	−166	+ 81	+ 363	− 488	− 70	+122	+ 65	+ 327	− 15	+ 56	−240	−136	− 101
1975 *1*	− 73	+ 66	+ 351	− 376	+ 25	−108	+ 6	+ 222	+ 19	− 47	− 63	+103	+ 125
2	− 39	+ 2	+ 241	− 573	+ 90	+684	− 7	− 296	+286	− 64	−122	− 75	+ 127
3	− 26	− 52	+ 680	− 93	+105	−119	− 67	− 313	+ 1	+198	− 58	+104	+ 360
4	−150	+ 29	+ 523	− 341	+ 30	−472	+ 75	− 235	+243	+147	−393	+269	− 275
1976 *1*	− 36	+ 25	+ 766	− 531	+ 45	+111	− 10	− 76	+ 9	+ 35	−278	−329	− 314
2	− 26	+ 14	+ 335	− 421	+ 35	+109	+ 1	− 906	− 13	+138	−291	−237	−1,262
3	− 7	+ 67	+ 398	− 364	+ 25	−206	− 26	− 329	+209	+ 85	−150	−109	− 407

[1] Excluding public sector borrowing under the exchange cover scheme which is included under 'official financing'.
[2] Including certain other financial institutions.
[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.

Official long-term capital [1]

TABLE 8

Not seasonally adjusted

£ million

	Inter-government loans						Other official long-term capital		
			Made to UK	Repaid by UK					
	Made by UK	Repaid to UK	Export-Import Bank	Export-Import Bank	Other	Total	UK sub-scriptions, to IDA, etc.	Other	Total official long-term capital [2]
1971	−125	+32	+ 4	−42	−57	−188	− 43	−42	−273
1972	−110	+34	—	−58	−54	−188	− 51	−15	−255
1973	− 93	+31	—	−38	−53	−153	− 85	−16	−254
1974	−108	+33	—	−32	−52	−159	−106	−10	−276
1975	−113	+34	—	−22	−61	−162	−107	−19	−288
1973 *1*	− 47	+ 5	—	—	—	− 42	− 10	− 3	− 55
2	− 14	+11	—	−19	− 3	− 26	− 1	− 4	− 31
3	− 14	+ 5	—	—	− 2	− 11	− 13	− 3	− 27
4	− 18	+10	—	−19	−48	− 74	− 61	− 6	−141
1974 *1*	− 62	+ 4	—	—	—	− 58	− 2	+ 8	− 53
2	− 12	+11	—	−18	− 4	− 23	− 14	− 5	− 42
3	− 10	+ 7	—	—	—	− 3	− 9	− 3	− 15
4	− 24	+11	—	−14	−48	− 75	− 81	−10	−166
1975 *1*	− 55	+ 5	—	—	—	− 49	− 21	− 3	− 73
2	− 14	+13	—	−14	− 4	− 19	− 15	− 5	− 39
3	− 26	+ 5	—	—	—	− 22	− 1	− 4	− 26
4	− 18	+11	—	− 8	−57	− 72	− 70	− 7	−150
1976 *1*	− 23	+ 5	—	—	—	− 18	− 9	− 9	− 36
2	− 10	+13	—	− 9	− 6	− 12	− 12	− 3	− 26
3	− 12	+ 6	—	—	—	− 6	− 2	+ 1	− 7

[1] Assets: increase−/decrease+. Liabilities: increase+/decrease−.
[2] Components and totals are rounded independently.

Overseas investment in UK public sector [1]

TABLE 9

Not seasonally adjusted

£ million

	In British government stocks [2]	In local authorities securities and mortgages	Net issues abroad [3]		Net borrowing abroad from banks, etc. [3]		Total
			Public corporations	Local authorities	Public corporations	Local authorities	
1971	+ 82	+21	—	—	+ 4	—	+107
1972	+108	+ 5	—	—	—	—	+113
1973	+ 41	+32	+52	+30	+15	—	+170
1974	+105	−10	+85	—	+67	+ 3	+250
1975	− 11	+ 4	− 4	—	+56	—	+ 45
1973 *1*	− 8	− 1	+52	—	—	—	+ 43
2	+ 12	+ 8	—	—	—	—	+ 20
3	+ 9	+12	—	—	—	—	+ 21
4	+ 28	+13	—	+30	+15	—	+ 86
1974 *1*	− 7	+ 6	+23	—	+10	—	+ 32
2	+ 37	− 3	+62	—	+11	—	+107
3	+ 16	−12	—	—	+26	—	+ 30
4	+ 59	− 1	—	—	+20	+ 3	+ 81
1975 *1*	+ 36	—	—	—	+30	—	+ 66
2	+ 1	+ 2	− 4	—	+ 3	—	+ 2
3	− 56	− 1	—	—	+ 5	—	− 52
4	+ 8	+ 3	—	—	+18	—	+ 29
1976 *1*	+ 15	+ 6	− 4	—	+ 8	—	+ 25
2	+ 15	+ 1	—	—	− 2	—	+ 14
3	+ 62	+ 5	—	—	—	—	+ 67

[1] Net of disinvestment. Assets: increase−/decrease+. Liabilities: increase+/decrease−.
[2] Excluding investment by central monetary institutions and international organisations.
[3] Excluding borrowing under the exchange cover schemes.

Inward and outward investment[1] — UK private sector

TABLE 10

Not seasonally adjusted

£ million

	Overseas investment in UK private sector						
	Direct[2]			UK company securities		Oil companies and other miscellaneous investment	Total
	Unremitted profits	Other	Total	Issues abroad (net)	Other securities		
1971	+182	+263	+445	+ 88	+100	+ 419	+1,052
1972	+284	+100	+384	+149	+ 6	+ 213	+ 752
1973	+316	+367	+683	+138	+ 91	+ 683	+1,595
1974	+225	+572	+797	+ 2	+132	+1,307	+2,238
1975	+267	+272	+539	+ 56	− 24	+1,224	+1,795
1973 *1*	+ 30	+ 39	+ 69	+ 75	+ 41	+ 169	+ 354
2	+ 94	+150	+244	+ 30	+ 20	+ 134	+ 428
3	+ 83	− 3	+ 80	+ 29	+ 12	+ 180	+ 301
4	+109	+181	+290	+ 4	+ 18	+ 200	+ 512
1974 *1*	+ 21	+123	+144	− 4	+ 41	+ 726	+ 907
2	+ 76	+103	+179	+ 16	+ 38	+ 202	+ 435
3	+ 67	+ 66	+133	− 4	+ 27	+ 377	+ 533
4	+ 61	+280	+341	− 6	+ 26	+ 2	+ 363
1975 *1*	+ 75	+ 43	+118	+ 6	− 4	+ 231	+ 351
2	+ 72	+ 75	+147	+ 25	− 39	+ 108	+ 241
3	+ 80	+ 88	+168	+ 10	+ 5	+ 497	+ 680
4	+ 40	+ 66	+106	+ 15	+ 14	+ 388	+ 523
1976 *1*	+128	+ 87	+215	+ 24	+ 18	+ 509	+ 766
2	+150	− 65	+ 85	+ 15	+ 47	+ 188	+ 335
3	+146	+ 33	+179	+ 25	+ 38	+ 156	+ 398

	UK private investment overseas					
	Direct[3]				Oil companies[3] and other miscellaneous investment	Total
	Unremitted profits	Other	Total	Portfolio		
1971	−329	−347	− 676	− 21	−139	− 836
1972	−466	−271	− 737	−585	− 61	−1,383
1973	−847	−781	−1,628	+293	−520	−1,855
1974	−861	−734	−1,595	+755	−329	−1,169
1975	−923	−201	−1,124	− 19	−240	−1,383
1973 *1*	−159	−143	− 302	+ 38	−105	− 369
2	−180	−143	− 323	+ 77	−175	− 421
3	−239	−298	− 537	+ 95	+ 78	− 364
4	−269	−197	− 466	+ 83	−318	− 701
1974 *1*	−216	−171	− 387	+131	−101	− 357
2	−232	−206	− 438	+112	+182	− 144
3	−190	−171	− 361	+254	− 73	− 180
4	−223	−186	− 409	+258	−337	− 488
1975 *1*	−213	− 96	− 309	+ 26	− 93	− 376
2	−225	− 39	− 264	− 38	−271	− 573
3	−232	− 15	− 247	− 13	+167	− 93
4	−253	− 51	− 304	+ 6	− 43	− 341
1976 *1*	−234	−209	− 443	− 63	− 25	− 531
2	−285	−154	− 439	+ 33	− 15	− 421
3	−301	− 59	− 360	+ 64	− 68	− 364

[1] Net of disinvestment. Assets: increase−/decrease+. Liabilities: increase+/decrease−.
[2] Department of Industry inquiry into overseas direct investment: excluding the transactions of oil and insurance companies.
[3] Department of Industry inquiry into overseas direct investment: excluding the transactions of oil companies but including investment by a number of public corporations.

Import and export credit[1]

TABLE 11

Not seasonally adjusted

£ million

	Import credit						Export credit					
	Credit received by UK businesses			Advance and progress payments	Import deposits paid directly from overseas	Total	Credit extended by UK banks			Suppliers' credit	Advance and progress payments	Total
	Identified long-term[2]	Other	Total				Identified long-term	Other	Total			
1971	+131	+ 11	+142	− 60	−28	+ 54	−353	− 44	−397	− 13	+123	−287
1972	+176	+ 41	+217	− 21	—	+196	−312	− 25	−337	−167	+ 95	−409
1973	+148	+216	+364	− 38	—	+326	−254	−120	−374	−324	+146	−552
1974	+ 76	+138	+214	− 52	—	+162	−419	−198	−617	−492	+300	−809
1975	+ 54	+ 75	+129	+105	—	+234	−633	−108	−741	−136	+241	−636
1973 *1*	+ 30	+ 23	+ 53	+ 3	—	+ 56	− 73	− 40	−113	−137	+ 38	−212
2	+ 24	+ 68	+ 92	− 10	—	+ 82	− 63	+ 4	− 59	− 24	+ 31	− 52
3	+ 14	+ 8	+ 22	+ 8	—	+ 30	− 65	− 39	−104	− 22	+ 24	−102
4	+ 80	+117	+197	− 39	—	+158	− 53	− 45	− 98	−141	+ 53	−186
1974 *1*	− 4	+ 19	+ 15	− 2	—	+ 13	− 81	− 27	−108	−118	+101	−125
2	+ 31	+ 49	+ 80	+ 13	—	+ 93	−101	− 24	−125	−268	+ 58	−335
3	+ 40	− 17	+ 23	− 23	—	—	−132	− 81	−213	+ 13	+ 91	−109
4	+ 9	+ 87	+ 96	− 40	—	+ 56	−105	− 66	−171	−119	+ 50	−240
1975 *1*	− 10	− 46	− 56	+ 9	—	− 47	−126	− 39	−165	+ 60	+ 42	− 63
2	− 3	− 58	− 61	− 3	—	− 64	−156	− 23	−179	− 30	+ 87	−122
3	+ 57	+ 48	+105	+ 93	—	+198	−146	− 26	−172	+ 35	+ 79	− 58
4	+ 10	+131	+141	+ 6	—	+147	−205	− 20	−225	−201	+ 33	−393
1976 *1*	− 23	+ 82	+ 59	− 24	—	+ 35	−171	− 50	−221	−101	+ 44	−278
2	+ 46	+ 91	+137	+ 1	—	+138	−210	− 19	−229	−112	+ 50	−291
3	− 13	+ 55	+ 42	+ 43	—	+ 85	−144	− 1	−145	− 40	+ 35	−150

[1] Excluding trade credit between 'related' firms. Assets: increase −/decrease +. Liabilities: increase +/decrease −.
[2] Credit on ships, commercial aircraft and North Sea installations; prior to 1973 ships owned by oil companies are excluded.

Other short-term flows[1]

TABLE 12

Not seasonally adjusted

£ million

	External sterling claims[2]	Official assets and liabilities (net)	Other commercial short-term transactions (net)[3]	IMF expenditure and receipts in sterling	IMF gold deposits in the UK	Total
1971	+ 39	+21	+ 49	—	− 2	+107
1972	−241	+10	− 70	−83	−11	−395
1973	+ 35	+ 4	−197	—	—	−158
1974	+ 53	− 5	− 86	—	—	− 38
1975	+131	+11	+259	—	—	+401
1973 1	+163	—	− 74	—	—	+ 89
2	− 85	− 2	+ 66	—	—	− 21
3	− 70	− 1	− 65	—	—	−136
4	+ 27	+ 7	−124	—	—	− 90
1974 *1*	+ 1	− 3	− 38	—	—	− 40
2	+104	− 6	+ 56	—	—	+154
3	− 2	−14	—	—	—	− 16
4	− 50	+18	−104	—	—	−136
1975 *1*	+ 7	− 2	+ 98	—	—	+103
2	−191	+ 1	+115	—	—	− 75
3	+ 70	—	+ 34	—	—	+104
4	+245	+12	+ 12	—	—	+269
1976 1	−248	− 9	− 72	—	—	−329
2	−211	− 1	− 25	—	—	−237
3	− 96	− 2	− 11	—	—	−109

[1] Assets: increase −/decrease +. Liabilities: increase +/decrease −.
[2] Excluding export credit.
[3] Prior to 1973 includes trade credit on oil companies' ships which thereafter is included in import credit.

Official financing

TABLE 13

£ million

	Net transactions with overseas monetary authorities							Foreign currency borrowing:			
	International Monetary Fund[1]				Other monetary authorities[2]						
	UK drawings	UK re-purchases	Other net drawings[3]	Total	Foreign currency	Sterling	Total	by HM Government[4]	by public sector under exchange cover scheme	Drawings on (+)/ additions to (−) official reserves[5]	Total official financing
1971	—	−541	− 13	−554	—	−1,263	−1,263	—	+ 82	−1,536	−3,271
1972	—	−313	−102	−415	—	+ 864	+ 864	—	—	+ 692	+1,141
1973	—	—	—	—	—	—	—	—	+ 999	− 210	+ 789
1974	—	—	—	—	—	—	—	+644	+1,107	− 79	+1,672
1975	—	—	—	—	—	—	—	+423	+ 387	+ 669	+1,479
1974 *1*	—	—	—	—	—	—	—	—	+ 306	+ 39	+ 345
2	—	—	—	—	—	—	—	—	+ 435	− 111	+ 324
3	—	—	—	—	—	—	—	—	+ 189	− 183	+ 6
4	—	—	—	—	—	—	—	+644	+ 177	+ 176	+ 997
1975 *1*	—	—	—	—	—	—	—	+423	+ 45	− 136	+ 332
2	—	—	—	—	—	—	—	—	+ 162	+ 419	+ 581
3	—	—	—	—	—	—	—	—	+ 43	+ 167	+ 210
4	—	—	—	—	—	—	—	—	+ 137	+ 219	+ 356
1976 *1*	+573	—	—	+573	—	—	—	—	+ 277	− 208	+ 642
2	+437	—	—	+437	+356	+ 225	+ 581	—	+ 582	+ 324	+1,924
3	—	—	—	—	+189	+ 120	+ 309	—	+ 492	+ 47	+ 848

[1] Components and the total are rounded independently. From July 1972, includes credit tranche transactions and from January 1976 UK drawings on the oil facility. [2] Net borrowing from other monetary authorities in the form of foreign currency deposits and assistance with a sterling counterpart, and other special swaps. [3] Drawings (−) and repurchases (+) in sterling by other countries. [4] Drawings on a euro-dollar facility for HM Government to borrow $2,500 million. [5] From 23 August 1971, valued in sterling at transactions rates of exchange (see notes on page 73 of *UK Balance of Payments 1965-75*). From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.

International Monetary Fund

TABLE 14

£ million

	United Kingdom account with the IMF[1]									End of period		
				Credit tranche							United Kingdom tranche position[2]	
	UK gold sub-scription	IMF gold deposits in UK	Gold tranche (net)	UK drawings	UK re-purchases	Other net drawings	Other IMF sterling trans-actions	Other Fund drawings	Change in account with IMF	IMF holdings of sterling	Total	*of which* Gold tranche
1971	—	− 2	—	—	−541	− 13	—	—	−556	1,374	959	—
1972	—	−11	− 33	—	− 21	−102	−83	—	−250	1,132[3]	1,215	49
1973	—	—	—	—	—	—	—	—	—	1,189[3]	1,215	49
1974	—	—	− 45	—	—	—	—	—	− 45	1,143	1,252	86
1975	—	—	− 54	—	—	—	—	—	− 54	1,089	1,294	127
1974 *1*	—	—	—	—	—	—	—	—	—	1,189	1,215	49
2	—	—	—	—	—	—	—	—	—	1,189	1,215	49
3	—	—	− 39	—	—	—	—	—	− 39	1,149	1,247	80
4	—	—	− 6	—	—	—	—	—	− 6	1,143	1,252	86
1975 *1*	—	—	− 10	—	—	—	—	—	− 10	1,133	1,261	94
2	—	—	− 7	—	—	—	—	—	− 7	1,126	1,265	99
3	—	—	− 28	—	—	—	—	—	− 28	1,098	1,287	120
4	—	—	− 9	—	—	—	—	—	− 9	1,089	1,294	127
1976 *1*	—	—	+174	—	—	—	—	+573[4]	+747	2,061[3]	1,692	—
2	—	—	—	+437	—	—	—	—	+437	2,808[3]	1,400	—
3	—	—	—	—	—	—	—	—	—	2,808	1,400	—

[1] UK assets with IMF: increase−/decrease+. UK liabilities to IMF: increase+/decrease−. From first quarter 1972 valued at current market rates of exchange. [2] The amount, valued at parity, the United Kingdom could draw without raising IMF holdings of sterling beyond 200 per cent of quota From first quarter 1976 this maximum was increased on a temporary basis to 245 per cent of quota. The United Kingdom quota was raised in November 1970, from $2,440 million (£1,017 million) to $2,800 million (£1,167 million). From March 1972 the unit of account of the IMF was changed from dollars to SDRs. The quota is therefore now expressed as SDR 2,800 million (£1,167 million).

[3] Includes maintenance of value adjustments of −£3 million in May 1972, £57 million in May 1973, £226 million in March 1976 and £310 million in May 1976, to maintain a constant value in terms of SDRs of the Fund's holding of sterling following the Fund's decision to value certain currencies at market rates of exchange. [4] Oil facility.

Official long-term borrowing [1]

TABLE 15

£ million

End of period

	Inter-government loans											
			USA						Canada			
	German Federal Republic	Portugal	Lend-lease	Line of credit	Economic Co-operation administration	Mutual Security Agency	Export Import Bank credit	Other	Line of credit	Pakistan and Bangladesh	Total [2]	Other official long-term capital
1970	60	12	188	1,208	98	17	197	1	353	3	2,137	23
1971	49	7	173	1,111	87	15	148	1	350	2	1,943	—
1972	53	2	184	1,179	89	16	100	1	374	2	1,999	—
1973	54	—	181	1,162	83	15	61	1	369	2	1,926	—
1974 *1*	52	—	176	1,128	81	15	59	1	365	2	1,878	—
2	52	—	176	1,129	77	14	40	1	367	2	1,859	—
3	54	—	180	1,157	79	15	41	1	371	2	1,900	—
4	53	—	174	1,119	75	14	28	1	357	2	1,823	—
1975 *1*	52	—	171	1,094	74	14	27	1	345	2	1,778	—
2	57	—	188	1,204	77	15	15	—	353	2	1,911	—
3	61	—	201	1,286	82	16	16	—	397	2	2,062	—
4	62	—	197	1,264	79	16	8	—	393	2	2,021	—
1976 1	43	—	208	1,335	84	17	9	—	429	2	2,126	—
2	70	—	233	1,433	85	17	—	—	468	2	2,308	—
3	75	—	239	1,533	91	18	—	—	498	2	2,456	—

[1] Figures are converted to sterling at $2·40=£1 for end-year 1970; at $2·60571 = £1 for end-year 1971 and at end period middle market closing rates thereafter. Changes to the figures in this table resulting from exchange rate variations are not recorded as loans or loan repayments in Tables 7 and 8.
[2] The components are rounded independently from the overall total.

Official long-term lending

TABLE 16

£ million

End of period

	Inter-government loans [1]								Other official long-term capital [3]
	India	Pakistan and Bangladesh	Kenya	Singapore	Turkey	Poland	Other countries	Total [2]	
1970	325	75	59	20	43	48	305	875	475
1971	374	80	62	27	45	48	327	964	537
1972	413	89	52	33	49	48	332	1,015	604
1973	448	94	52	37	47	48	346	1,074	703
1974 *1*	495	95	53	37	47	48	356	1,132	698
2	496	96	52	37	46	48	356	1,132	717
3	497	97	52	37	45	48	358	1,135	729
4	507	98	52	37	45	48	361	1,148	818
1975 *1*	539	102	53	37	44	48	373	1,197	842
2	538	104	52	37	44	48	375	1,198	862
3	548	107	52	37	44	48	382	1,219	867
4	550	109	52	37	43	48	388	1,227	945
1976 *1*	556	110	53	37	43	48	397	1,244	963
2	550	111	53	37	42	48	401	1,242	972
3	554	113	52	37	42	48	406	1,252	975

[1] Some loans have, by agreement with the debtor country, been written down either in whole or in part. Such changes are reflected in the entries in this table but are not recorded as repayments in the general balance of payments tables or in Table 8.
[2] The components are rounded independently from the overall total.
[3] Subscriptions to international financial organisations (excluding the IMF) and other official assets.

Exchange reserves in sterling; and banking and money market liabilities in sterling to holders other than central monetary institutions

Summary

TABLE 17

£ million

End of period

	Exchange reserves in sterling held by central monetary institutions[1]					Banking and money market liabilities to holders other than CMIs		
			Banking and money market liabilities					
	Total	British government stocks[2]	Total	External deposits[3]	Treasury bills[4]	Total	External deposits[3]	Treasury bills
Total countries								
1970	2,365	1,295	1,070	698	373	1,673	1,670	3
1971	3,030	1,307	1,723	996	727	2,382	2,379	3
1972	3,361	1,454	1,907	1,031	876	2,291	2,288	3
1973	3,379	1,428	1,951	1,439	512	2,284	2,280	4
1974[2]	4,725	1,295	3,430	1,870	1,560	2,432	2,426	6
	4,303	959	3,344	1,784	1,560	2,500	2,494	6
1975 *1*	4,512	949	3,563	1,847	1,716	2,519	2,512	7
2	4,228	971	3,257	1,596	1,661	2,984	2,977[5]	7
3	3,858	924	2,934	1,749	1,185	2,985	2,978	7
4	3,716	1,023	2,693	1,630	1,063	3,228	3,202	26
1976 *1*	3,616	1,052	2,564	1,409	1,155	3,237	3,229	8
2	2,715	1,017	1,698	1,007	691	3,224	3,213	11
3	2,379	992	1,387	934	453	3,433	3,400	33
International organisations[6]								
1970	182	86	96	14	82	—	—	—
1971	210	109	101	10	91	—	—	—
1972	257	118	139	17	122	—	—	—
1973	310	128	182	20	162	—	—	—
1974[2]	363	126	237	51	186	—	—	—
	331	94	237	51	186	—	—	—
1975 *1*	350	110	240	64	176	—	—	—
2	331	81	250	82	168	—	—	—
3	321	61	260	94	166	—	—	—
4	386	120	266	68	198	—	—	—
1976 *1*	400	81	319	94	225	—	—	—
2	396	117	279	74	205	—	—	—
3	377	116	261	57	204	—	—	—
Total								
1970	2,547	1,381	1,166	712	455	1,673	1,670	3
1971	3,240	1,416	1,824	1,006	818	2,382	2,379	3
1972	3,618	1,572	2,046	1,048	998	2,291	2,288	3
1973	3,689	1,556	2,133	1,459	674	2,284	2,280	4
1974[2]	5,088	1,421	3,667	1,921	1,746	2,432	2,426	6
	4,634	1,053	3,581	1,835	1,746	2,500	2,494	6
1975 *1*	4,862	1,059	3,803	1,911	1,892	2,519	2,512	7
2	4,559	1,052	3,507	1,678	1,829	2,984	2,977[5]	7
3	4,179	985	3,194	1,843	1,351	2,985	2,978	7
4	4,102	1,143	2,959	1,698	1,261	3,228	3,202	26
1976 *1*	4,016	1,133	2,883	1,503	1,380	3,237	3,229	8
2	3,111	1,134	1,977	1,081	896	3,224	3,213	11
3	2,756	1,108	1,648	991	657	3,433	3,400	33

[1] Sterling reserves of overseas countries and international organisations (other than the IMF) as reported by UK banks, etc.

[2] A modified reporting system was introduced at the end of 1974 giving rise to some change of definition and coverage. In particular, since 1974, all fourth quarter figures of holdings of British Government stocks are now recorded at approximate market values instead of at nominal values, whereas, for the other quarters, holdings of British Government stocks reflect the cash flows during each quarter. Therefore, the apparent change during the fourth quarter differs from the cash flows recorded in Table 7 by the amount of the revaluation for the whole year.

[3] Deposits with banks, local authorities and other financial institutions.

[4] Including certain non-interest-bearing notes.

Exchange reserves in sterling; and banking and money market liabilities in sterling to holders other than central monetary institutions

Geographical analysis

TABLE 17 (*continued*)

£ million

End of period

	Exchange reserves in sterling held by central monetary institutions[1]					Banking and money market liabilities to holders other than CMIs		
			Banking and money market liabilities					
	Total	British government stocks[2]	Total	External deposits[3]	Treasury bills[4]	Total	External deposits[3]	Treasury bills
EEC countries								
1973	288	107	181	159	22	468	467	1
1974 *1*	280	86	194	174	20	476	475	1
2	226	84	142	132	10	543	542	1
3	267	70	197	127	70	513	512	1
4[2]	223	63	160	127	33	501	500	1
	177	60	117	84	33	518	517	1
1975 *1*	92	21	71	47	24	493	493	—
2	117	21	96	44	52	704	703[5]	1
3	112	21	91	67	24	703	701	2
4	124	25	99	46	53	774	752	22
1976 *1*	171	27	144	29	115	750	746	4
2	113	27	86	43	43	776	770	6
3	200	27	173	97	76	896	866	30
Oil-exporting countries[7]								
1973	959	103	856	719	137	314	314	—
1974 *1*	1,282	265	1,017	699	318	262	262	—
2	1,868	287	1,581	960	621	270	270	—
3	2,768	398	2,370	1,418	952	294	294	—
4[2]	3,183	490	2,693	1,387	1,306	307	306	1
	3,101	423	2,678	1,369	1,309	344	343	1
1975 *1*	3,449	514	2,935	1,417	1,518	324	324	—
2	3,239	554	2,685	1,298	1,387	367	367	—
3	2,943	550	2,393	1,419	974	408	408	—
4	2,839	624	2,215	1,382	833	466	466	—
1976 *1*	2,622	703	1,919	1,147	772	474	474	—
2	1,964	721	1,243	784	459	444	444	—
3	1,541	714	827	626	201	448	448	—
Other countries								
1973	2,132	1,218	914	561	353	1,502	1,499	3
1974 *1*	2,097	1,181	916	662	254	1,493	1,489	4
2	1,763	940	823	593	230	1,573	1,569	4
3	1,385	782	603	394	209	1,640	1,635	5
4[2]	1,319	742	577	356	221	1,624	1,620	4
	1,025	476	549	331	218	1,638	1,634	4
1975 *1*	971	414	557	383	174	1,702	1,695	7
2	872	396	476	254	222	1,913	1,907	6
3	803	353	450	263	187	1,874	1,869	5
4	753	374	379	202	177	1,988	1,984	4
1976 *1*	823	322	501	233	268	2,013	2,009	4
2	638	269	369	180	189	2,004	1,999	5
3	638	251	387	211	176	2,089	2,086	3

[5] Improvements in coverage in the second quarter of 1975 added some £180 million.
[6] Excluding IMF.
[7] Algeria, Bahrain, Brunei, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Trinidad and Tobago, United Arab Emirates, and Venezuela.

External liabilities and claims of United Kingdom banks in overseas currencies[1]

TABLE 18

£ million

End of period

	Total all currencies	Currency: US dollars	Currency: Other overseas currencies	Area of holder: Western Europe: EEC countries	Area of holder: Western Europe: Other countries	Area of holder: North America	Area of holder: Oil-exporting countries[2]	Area of holder: Other countries[3]
United Kingdom liabilities								
1971	17,605	14,146	3,459	10,423		2,676	934	3,572
1972	25,460	20,539	4,921	14,327		3,294	1,698	6,141
1973	39,017	29,770	9,247	12,606	9,737	4,240	2,012	10 422
1974[4]	47,451	37,810	9,641	11 996	11,011	4,738	7,888	11,818
1975 *1*	48,420	38,003	10,417	11,716	11,241	4,789	8,436	12,238
2	54,454	43,116	11,338	13,259	12,310	5,195	9,431	14,259
3	60,215	48,591	11,624	15,298	12,926	6,340	10,173	15,478
4	63,368	51,488	11,880	15,972	13,241	6,771	11,198	16,186
1976 *1*	68,501	55,486	13,015	16,879	14,516	7,038	11,771	18,297
2	75.767	62,201	13,566	17,030	14,960	8,672	13,956	21,149
3	82,527	67,554	14,973	18,169	16,272	8,724	1,5980	23,382
United Kingdom claims								
1971	16,680	13,023	3,657	8,139		2,479	305	5,757
1972	24,019	19,422	4,597	11,165		3,206	522	9,126
1973	36,274	28,174	8,100	12,518	3,923	4,424	825	14,584
1974[4]	43,651	35,194	8,457	12,086	4,987	5,066	992	20,520
1975 *1*	44,464	35,457	9,007	11,980	5,073	4,349	1,040	22,022
2	49,339	39,669	9,670	13,100	5,776	3,908	1,314	25,239
3	54,899	44,739	10,160	13,820	6,226	4,613	1,491	28,749
4	58,440	47,914	10,526	15,362	6,548	4,041	1,677	30,812
1976 *1*	63,158	50,868	12,290	16,410	6,757	4,533	1,853	33,605
2	70,050	57,109	12,941	17,733	7,665	4,452	2,226	37,974
3	76,518	62.206	14,312	19,217	8,284	4,906	2,766	41,345
Net liabilities[5]								
1971	925	1,123	— 198	2,284		197	629	— 2,185
1972	1,441	1,117	324	3,162		88	1,176	— 2,985
1973	2,743	1,596	1,147	88	5,814	— 184	1,187	— 4,162
1974[4]	3,800	2,616	1,184	— 90	6,024	— 328	6,896	— 8,702
1975 *1*	3,956	2,546	1,410	— 264	6,168	440	7,396	— 9,784
2	5,115	3,447	1,668	159	6,532	1,287	8,117	—10,980
3	5,316	3,852	1,464	1,478	6,700	1,727	8,682	—13,271
4	4,928	3,574	1,354	610	6,693	2,730	9,521	—14,626
1976 *1*	5,343	4,618	725	469	7,759	2,505	9,918	—15,308
2	5,717	5,092	625	— 703	7,295	4,220	11,730	—16,825
3	6,009	5,348	661	—1,048	7,988	3,818	13,214	—17,963

[1] Including certain other financial institutions. Including revaluations in sterling terms (excluded from Table 7) and liabilities incurred by UK Banks in respect of borrowings by UK public sector under the exchange cover scheme and from end–1974, by HM Government on the euro-dollar facility.

[2] See footnote [7] to Table 17.

[3] Including unallocated items; under liabilities these are mainly unallocated dollar certificates.

[4] Although new reporting arrangements were introduced in December 1974, these are not thought to have led to any major inconsistencies between earlier figures and those for end-1974 and later except for the exclusion of claims on overseas customers, arising from acceptances, which contributed some £100 million in the earlier figures.

[5] Minus sign indicates that claims exceed liabilities.

Official reserves[1, 2]

TABLE 19

	$ million					£ million
	End of period					
	Gold	IMF Special Drawing Rights	Convertible currencies	Reserve position in the IMF[2]	Total	Total[3]
1970	1,348	266	1,213	—	2,827	1,178
1971	843	642	5,097	—	6,582	2,526
1972	801	656	4,063	126	5,646	2,404
1973	887	724	4,725	140	6 476	2,787
1974 *1*	888	724	4,692	140	6,444	2,692
2	888	717	4,966	140	6,711	2,807
3	888	810	5,239	233	7,170	3,074
4	888	830	4,823	248	6,789	2,890
1975 *1*	888	830	5,127	272	7,117	2,962
2	888	840	4,184	286	6,198	2,837
3	888	840	3 783	348	5,859	2,867
4	888	840	3,335	366	5,429	2,683
1976 *1*	888	830	4,187	—	5,905	3,082
2	888	790	3,634	—	5,312	2,976
3	888	759	3,511	—	5,158	3,092

[1] From end-1970 convertible currencies are valued at middle or central rates. Special Drawing Rights are valued at SDR 1=$1 at end-1970; at SDR 1=$1·08571 from end-1971 to end-1972; and at SDR 1=$1·20635 thereafter. Gold is valued at $35 per fine ounce at end-1970; $38 per fine ounce from end-1971 and end-1972; and at $42·2222 per fine ounce thereafter.

[2] In July 1972, the official reserves were redefined to include the UK reserve position in the IMF, which at that time amounted to $760 million. From end 1970 to end-1971 this was nil.

[3] Total reserves valued as in (1) above are converted to sterling at $2·4=£1 at end-1970; at $2·60571=£1 at end-1971 and at end-period dollar/sterling middle-market closing rates thereafter.

Official financing liabilities and reserve assets[1]

TABLE 20

	£ million						
	End of period						
		Borrowing from other monetary authorities		Other foreign currency borrowing			
	IMF[2]	Foreign currency[3]	Sterling[4]	by HM Government	by public sector under exchange cover scheme	Total official financing liabilities	Official reserves
1970	970	—	399	—	50	1,419	1,178
1971	415	—	—	—	140	555	2,526
1972	—	—	—	—	155	155	2,404
1973	—	—	—	—	1,283	1,283	2,787
1974 *1*	—	—	—	—	1,545	1,545	2,692
2	—	—	—	—	1,981	1,981	2,807
3	—	—	—	—	2,222	2,222	3,074
4	—	—	—	638	2,380	3 018	2,890
1975 *1*	—	—	—	1,041	2,372	3,413	2,962
2	—	—	—	1,144	2.778	3,922	2,837
3	—	—	—	1,223	3,014	4,237	2,867
4	—	—	—	1,235	3,174	4,409	2,683
1976 *1*	630	—	—	1,305	3,654	5,589	3,082
2	1,149	353	224	1,401	4.515	7,642	2,976
3	1,230	566	360	1,499	5,338	8,993	3,092

[1] Data denominated in dollars are converted to sterling at £1=$2·4 at end-1970; at £1=$2·60571 at end-1971 and at end-period middle-market closing rates thereafter. (From end-1970 non-dollar currencies are first converted to dollars at middle or central rates).

[2] Drawings from the IMF, excluding interest and charges, and net of repayments to and drawings from the IMF by other countries in sterling (see Table 13 Official financing, and Table 14 UK account with IMF).

[3] Borrowing in the form of foreign currency deposits.

[4] Borrowing and assistance with a sterling counterpart.

Effects of taxes and benefits on household income 1975

The purpose of the analysis

Articles on the incidence of taxes and social service benefits have been published in *Economic Trends* regularly since the early sixties. Their general purpose is to show how public expenditure on social services, cash benefits, and consumer subsidies, and taxation to finance them, affect the distribution of income of different types of households. The present article, with estimates for 1975, is in the same series. The previous article (*Economic Trends* No. 268 February 1976, pp. 78–118) introduced a new format and substantial changes to the tables. That format has been continued in the current article. The main tables, that is Tables 1–8, are in Appendix II but there are a number of summary tables included in the text. Charts 1 and 2 are at the end of Appendix II.

In 1975 public expenditure amounted to £54·5 thousand million and was financed by £16·7 thousand million from direct taxes on persons, £14·0 thousand million from indirect taxes falling on expenditure and £23·8 thousand million from other sources such as corporation tax and borrowing (Tables A and B). All households both contribute to and benefit from this expenditure. They pay taxes either directly in the form of income tax and national insurance contributions or indirectly through local rates and the taxes falling on the goods and services they buy. At some stage all households benefit from public spending on social services, including state education, the national health service, and housing and food subsidies, as well as payments in cash. In general, these benefits can be valued in money terms and apportioned to different types of households. But there are other services also paid for out of general taxation, such as defence and the maintenance of law and order, which are difficult to apportion to individual types of households. While few would dispute that the community as a whole is better off with than without these services, most people would probably not consider that they personally derive benefits from them that can be valued in money terms. Similarly some kinds of financing, such as corporation tax and government receipts from public corporations, are difficult to apportion to individual households and would probably not be thought of by most people as leading to a reduction in their personal incomes. There is, nonetheless, considerable interest in estimating and making comparisons of the total amounts of all those taxes and benefits which can be allocated to particular households.

In the estimates in this article, only some 40 per cent of total public expenditure and 53 per cent of total public receipts in 1975 are in the categories which are directly allocated to households. Allocated taxes thus make up more of public financing than do allocated benefits of public expenditure. Since this reflects only the practical and conceptual possibilities of allocating the individual receipts and expenditures to households, it has no special significance, but it does mean that, on average, households are shown in the tables as paying more in taxes than they receive in benefits.

Even if more taxes and benefits were to be allocated it must be emphasised that the analysis is limited to describing the flows of taxes and benefits from and to particular groups of households in a single year. In the sense that they use a set of accounting conventions recording the outcome of the circumstances prevailing in a given year, the estimates are closely analogous to Blue Book estimates of national income and expenditure. The analysis does not attempt to show the distribution of income after taxes are paid and benefits are received in comparison with a very different situation in which taxes and benefits did not exist. While it reflects the results of economic policies and conditions, it is not intended to provide more than a rough basis for estimating the effects of changes either in policy or in other circumstances.

The estimates can, in some cases, be used to estimate the immediate redistributional effects of marginal changes in the levels of taxes and benefits (for example changes in the standard rate of income tax or in family allowances) on the households directly concerned. They become increasingly inappropriate for estimating the effects of larger changes in the levels of taxes or benefits because of the reactions which the changes provoke. For example, it is not possible to use the estimates of receipts of food subsidies given in Table 1 to make other than a rough initial estimate of the distributional effects of, say, halving food subsidies. If the rates of subsidy on the foods which were subsidised in 1975 had been half what they actually were, the prices of those foods in the shops would have been higher. The amounts of food subsidies received by households would then have dropped by more than half, because the shoppers would have bought less subsidised foods, as well as having received half the previous rate of subsidy on those subsidised foods they did buy. In addition, taking this example further, incomes dependent on the production and supply of subsidised foods would have been affected, although only part of the subsequent effects would have happened before the end of 1975.

Similarly, the estimates are not suitable for estimating all the effects of a fundamental change in the structure of a tax or benefit, or the substitution of one form of tax or benefit by another. Substantial changes of that kind (such as the replacement of child tax allowances by child benefits) may also have important secondary effects, that is, they may also lead to changes in relative incomes or the pattern of household expenditure. To obtain valid estimates of the total redistributive effects of large changes, we would need a behavioural model. The estimates do not constitute a model of this kind.

The section which follows describes in some detail the way the estimates are compiled and discusses further some of the problems of interpretation. Though the second section is essential to a full understanding some readers may prefer to go direct to the third section which analyses the contribution which each stage of redistribution makes to the final results, and then to the final section which discusses the total of taxes and benefits and their particular impact on different types of household.

The estimates – compilation and problems of interpretation

The household

The basic unit of analysis in the article is the household. The estimates are presented in terms of the distribution and redistribution of income between groups of households defined as working and retired and subdivided by numbers of adults and children. The classification approximates to a broad life cycle approach and, although a study of the redistribution of income within an individual's lifetime would require longitudinal data relating to that particular person, the results from the cross sectional analysis of the single year household data can be used to demonstrate the net flow of benefits and taxes towards households with children, away from those of working age and towards pensioners.

In principle, studies of income and its redistribution could be based on a range of different units. Income is normally earned by individuals, income tax is paid by tax units (individuals, or married couples taken as one), and social security benefits are paid to individuals or families. The particular unit chosen will affect the level and shape of the income distribution. For example, although in 1975 78 per cent of households contained only one tax unit, the rest contained two or more tax units so that on average households had higher incomes than tax units.

Not only does the choice of the household as the basic unit influence the pattern of the distribution and redistribution of income but, over time, a change in the pattern may result from demographic and social changes in the structure of the chosen units. For example average household size has been falling for many years. This is partly because higher incomes have enabled more families and individuals to buy or rent accommodation of their own, but it is also a result of the increasing numbers of older people in the population, many of whom are widows living alone, and more recently of lower birth rates, and in particular of much lower numbers of births to women who already have two or three children. All these changes in household structure will affect the way in which the pattern of incomes shown for 1975 in Table 3 compares with the pattern for earlier years shown in the same table. An article by the Central Statistical Office on some of the effects of changes in household structure on income distribution appeared in the December 1975 issue of *Economic Trends*.[1]

One of the major reasons for choosing the household as the basic unit of analysis is that it is more appropriate than the family or the individual for determining the redistributive effect of indirect taxes and subsidies. In the Family Expenditure Survey (which is the main source of the estimates), a household is defined as a group of people who live at the same address and share common catering for at least one meal a day. Their spending on many items, but particularly on housing, fuel and light, and food, is largely joint spending. So it would not be possible without further information to apportion indirect taxes or the effects of housing and food subsidies to individuals or other subdivisions of households, except in a highly arbitrary way.

Very little is known about the actual extent to which income is pooled within households or any other groupings. This analysis however does not depend on assumptions about the degree of pooling or sharing since it is based entirely on the household as a unit and is designed to show the taxes paid and benefits received by households in different groups. But when using the analysis to discuss the living standards of members of households it is important to remember that income will not be wholly pooled. For example, the living standard of an old person or working teenager living in a large household may be much worse or much better than that implied by the position of the household as a whole.

The Family Expenditure Survey

The estimates presented are based mainly on detailed information from private households taking part in the Family Expenditure Survey (FES); people living in hotels, lodging houses, and in institutions such as old peoples' homes are excluded. Approximately 7,000 households co-operate. Although it was designed principally as a source of information on household expenditure, a wide range of other information is also obtained. Every household member aged 16 and over is asked to give detailed information where appropriate about income, including national insurance and other cash benefits received from the State, payments of income tax, age, occupation, and kinds of education being received. Each of these people keeps a full record of all payments made during 14 consecutive days and answers questions about hire purchase and other payments. Information on family composition and housing tenure is also obtained. Further details of the Survey and notes on the accuracy of the data are included in Appendix I.

Taxes

The estimates of the incidence of taxes on households are derived from the data recorded in the Family Expenditure Survey. Direct taxes depend on the income size and circumstances of the household; indirect taxes depend on its pattern of expenditure. The taxes allocated in this analysis, which in 1975 financed rather more than half of public expenditure (see Table B) are of three main types: direct taxes, that is, taxes on household income and employees' national insurance contributions; indirect taxes on final goods and services, such as local rates, value added tax, and duties on drink and tobacco; and indirect taxes on intermediate products, such as local rates on commercial and industrial property and employers' national insurance contributions. The major taxes not allocated are corporation tax and taxes on capital. Taxes on capital, that is capital gains tax and death duties, are excluded because capital gains are not included in the figures of income in this analysis.

[1] *Economic Trends*, No. 266, December 1975, 'The effect of changes in household composition on the distribution of income, 1961–73': M. Semple, (HMSO 1975).

Benefits

Some 40 per cent of public expenditure in 1975 is in categories which have been allocated to households (see Table A), half being in the form of benefits in kind such as education and health services and the rest in the form of cash benefits and housing and food subsidies. State benefits in cash are taken to increase a household's income by the amount of cash received, and the costs of administration are not counted as part of the benefit. Benefits in kind provided by the State, for example, the national health services and state education, are measured by their net cost to public authorities (that is excluding charges for prescriptions, spectacles, etc). If this analysis were trying to estimate their effects on the welfare of households, they should perhaps be measured in terms of the values placed upon them by the households themselves – but there is no practicable way of doing this.

Government expenditure not allocated to households falls into four broad categories. The first relates to expenditure on defence and on administration costs, such as tax collection. These items are not generally thought of as conferring benefits of a kind which can be allocated to individual households. The second category consists of expenditure on items such as roads, research, and investment grants, which are part of regional or industrial development programmes. Expenditure on these programmes, as with defence, does ultimately affect household incomes because it influences the general levels of taxation and it may also affect the type, pay structure and location of employment opportunities as well as the pattern of market prices for goods and services which prevail in the rest of the economy. But there is, at least at present, no practical way of estimating these effects on individual households. The third category includes expenditure on environmental and protective services such as refuse collection, museums, libraries, parks and fire services. Virtually all these services, in some degree, directly benefit households, but not enough is known about the variation in the extent to which each is used to enable them to be allocated. The fourth category excluded from the analysis is the benefit of capital expenditure on the social services. Households derive current benefits from past capital expenditure on schools, hospitals, etc. but to value them requires more information than is presently available.

The way expenditure on the benefits allocated in this analysis fits into public expenditure as a whole is shown in Table A which is based on the Analysis of public expenditure given in Table 10·2 of *National Income and Expenditure 1965 -75* (the Blue Book). Current and capital expenditure on the social, environmental and protective services as a whole amounted, in 1975, to 59 per cent of total public expenditure. Most of this – 40 per cent of total public expenditure – is current expenditure in categories where the costs of providing services and benefits to people living in private households have been allocated. Of the remainder, 9 per cent is current expenditure which is not allocated and 9 per cent represents capital expenditure.

Public expenditure in 1975

TABLE A

	£ million	*Percentage of total expenditure*
Allocated benefits*		
Benefits in cash	8,570	*15·7*
Subsidies		
Housing (including rent rebates and allowances)	1,310	*2·4*
Food	630	*1·2*
Benefits in kind		
Health services	4,810	*8·8*
Education	5,960	*10·9*
School meals, milk, welfare foods	390	*0·7*
	21 670	*39·8*
Other current expenditure on social, environmental and protective services		
Social services		
Health, education and welfare foods		
Imputed rent	280	*0·5*
Other	30	—
Social security benefits		
Administration	490	*0·9*
Personal social services	960	*1·8*
Environmental services		
Housing	120	*0·2*
Water, sewerage, land drainage, and public health	490	*0·9*
Parks etc.	330	*0·6*
Miscellaneous local authority services	610	*1·1*
Libraries, museums, and arts	260	*0·5*
Protective services		
Police	910	*1·7*
Parliaments, courts and prisons	440	*0·8*
Fire services	220	*0·4*
	5,140	*9·4*

	£ million	*Percentage of total expenditure*
Capital expenditure on social, environmental and protective services		
Social services	1,120	*2·1*
Environmental services		
Housing	2,850	*5·2*
Other	1,000	*1·8*
Protective services	130	*0·2*
	5,110	*9·4*
Other current expenditure		
Defence and external relations	5,570	*10·2*
Roads, transport and communications	1 590	*2·9*
Industry, trade, agriculture, research and employment	2,420	*4·4*
Other	1,020	*1·9*
	10,590	*19·4*
Other capital expenditure		
Public corporations	5,010	*9·2*
Other	2 440	*4·5*
	7,450	*13·7*
Debt interest	4 510	*8·3*
Total expenditure	54,470	*100·0*

* Including benefits to people not living in private households.

Financing of public expenditure in 1975

TABLE B

	£ million	*Percentage of total financing*
Allocated taxes*		
Direct taxes		
Income and surtax	13,910	*25·5*
Employees' and self-employed NI contributions	2,780	*5·1*
Indirect taxes		
On final goods and services	9.380	*17·2*
On intermediate goods and services	3,070	*5·6*
	29,140	*53·5*
Unallocated taxes		
Corporation tax etc.	2,260	*4·1*
Taxes on expenditure not allocated to consumers' expenditure	3,250	*6·0*
Public employers' NI contributions	2.390	*4·4*
Taxes on capital	830	*1·5*
	8,720	*16·0*
Trading surplus, interest, rent, dividends	6,310	*11·6*
Public sector borrowing requirement	10,480	*19·2*
Other receipts on capital account	−180	*−0·3*
Total financing	54,470	*100·0*

* Including taxes paid by people not living in private households.

Income definitions

The next section gives an account of the effect of the redistribution of household income resulting from allocating taxes and benefits in the way described in the previous paragraphs. The starting point is original income, that is the income in cash and kind of all members of the household before the deduction of taxes or the addition of any state benefits. Income in cash includes earned income, income from investment, and private pensions. Income in kind includes an income imputed to owner-occupiers based on the rateable value of their dwelling, and the value of the concessions on certain items such as miners' coal. The estimates are intended to relate to the annual rate of income at the time of the FES interview.[2] Substantial numbers of households, particularly those of elderly people, have original incomes which are very small or zero. The diagram below illustrates the framework which is used:

Original income
plus benefits in cash
↓
Original income *plus* benefits in cash
minus direct taxes
↓
Disposable income
plus subsidies *minus* indirect taxes
↓
Income after all taxes and transfers
plus benefits in kind
↓
Income after all taxes and benefits (final income)

Details of the categories of income, taxes, transfers (that is cash benefits and subsidies) and benefits in kind are given in Appendix I, together with details of how they are allocated to households.

The diagram corresponds to the order of the stages of redistribution which is shown in Table I at the end of the article. This table shows in considerable detail the taxes paid and benefits received by different types of households at different levels of original income. Because of the relatively small size of the Family Expenditure Survey sample, many of the figures in this table refer to small numbers of households and may therefore not be very representative[3]. Even those referring to larger numbers may be considerably influenced by one or two, possibly atypical, households. It is always advisable when interpreting the tables to look at the general run of figures for households in several adjacent income ranges. The income scales shown in all the tables are basically logarithmic – that is, the end point of each successive income range is in a constant ratio to the end point of the previous range, although some ranges have been amalgamated to give more equal sample sizes.

This order of presentation follows that of last year's article. The main change from earlier years was designed to show disposable income as a separate sub-total.

The definition of disposable income used here differs slightly from the more usual definitions because it includes those elements of income in kind such as imputed rent included in original income – but it does nevertheless provide an indication of the money households have to spend or save. Secondly, it becomes possible to show income after all taxes and all cash benefits and subsidies, that is after all taxes and transfers. This corresponds to what is called 'available income' in the United Nations recommendations for systems of national accounts, and relates to the 'factor cost' estimates shown in the National Income Blue Books. The Blue Book figures of consumers' expenditure at factor cost are calculated by subtracting indirect taxes from expenditure at market prices, and adding consumer subsidies. This corresponds to the way in which income after all taxes and transfers is worked out in this analysis. Thirdly, this order of presentation separates benefits in kind from other taxes and benefits. The values put on the health and education services here represent the average net cost of providing them to each type of household. It would be difficult to put a market valuation on them because very few people buy these services privately and only small markets therefore exist. The sums thus give some general indication of the current cost of the resources used by each type of household, but they may bear little relation to the value which the household concerned would itself put on these services.

[2] See Appendix I for a fuller explanation.

[3] See Appendix I for a note on sampling errors and response bias.

Stages of redistribution

Cash benefits

The first stage in estimating redistribution is the addition of direct transfers, that is cash benefits such as national insurance pensions, unemployment benefit, etc., to original income. Although most cash benefits are akin to insurance benefits, that is, they are designed to support people during periods of days or years when they are not earning, the effect of these benefits as a whole is very markedly redistributive. Table C shows the average amounts received by households in different ranges of original income. It is clear that, for each household type, those with the lowest original incomes benefit most. Cash benefits as a whole therefore substantially increase both the amount and the proportion of aggregate household income going to the less well off.

Table I shows how the totals shown in Table C are made up. The high levels of benefit going to retired households consist, as would be expected, largely of retirement pensions. But the high levels of benefit going to non-retired 1 and 2 adult households with low original incomes are also made up largely of retirement pensions. The classification of a household as 'retired' depends partly on whether its members describe themselves as 'retired' or 'unoccupied'. Many of these low income non-retired 1 and 2 adult households therefore include people who do some paid work, although they are 60 and over and largely dependent on the retirement pension.

Direct taxes

Original income *plus* cash benefits is thus more equally distributed than original income. Original income *plus* some of those cash benefits is, broadly, the basis on which liability for income tax is assessed. The effect of income tax and surtax is shown in Table D as a percentage of original income *plus* cash benefits. Better-off households pay a substantially higher proportion of their income in tax but in interpreting the table two factors need to be borne in mind. First, child tax allowances and other personal allowances reduce the tax paid by the larger households in each income range. Secondly, the effects of income taxation shown here include the effects of tax reliefs such as those on mortgage interest and life insurance premiums. These tax reliefs tend to have more effect on tax paid as a proportion of income by the better-off households, because these households usually pay out proportionately more of their incomes in mortgage interest and insurance premiums, and have more taxable income against which to set the reliefs.

Cash benefits
TABLE C

	£ per year										
	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	930	806	853	771	543	361	200	145	131	125	377
Retired households											
1 adult	770	639	634	608	640	572	601				730
2 adults	1,163	1,095	1,028	1,050	979	922	882	993	727		1,081
Non-retired households											
1 adult	655	505	444	384	256	144	51	36	6		238
2 adults	1,105	940	923	758	552	341	165	66	39	45	209
2 adults, 1 child					257	148	75	51	48	72	111
2 adults, 2 children				799	437	167	110	99	84	66	144
2 adults, 3 children						242	172	195	158	127	212
2 adults, 4 children						460	272	219			366

Income tax and surtax as a percentage of original income *plus* cash benefits
TABLE D

	Percentage										
	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	0·1	2·1	3·9	5·6	8·5	11·4	14·7	17·1	19·2	25·0	16·4
Retired households											
1 adult	0·4	3·9	7·0	10·7	14·4	17·1	21·6				6·9
2 adults	0·2	1·1	3·9	4·7	10·2	13·3	17·4	22·0	25·1		8·7
Non-retired households											
1 adult	−1·6	3·1	7·1	11·4	13·8	18·5	22·3	21·9	22·7		18·7
2 adults	−0·1	−0·2	1·8	4·3	7·4	12·3	16·9	19·7	21·0	25·7	18·8
2 adults, 1 child					3·2	10·1	14·9	17·4	20·9	19·7	16·4
2 adults, 2 children				0·5	2·0	7·8	13·2	15·1	20·0	28·3	16·1
2 adults, 3 children						5·0	11·3	14·2	16·7	42·3	17·5
2 adults, 4 children						5·0	11·4	12·2			11·4

National insurance contributions as a percentage of original income *plus* cash benefits

TABLE E

	Percentage										
	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	—	—	0·3	0·8	2·2	3·4	4·2	4·1	3·8	2·8	3·5
Retired households											
1 adult	—	—	—	—	—	—	—				—
2 adults	—	0·2	0·2	—	0·1	—	—	0·1	0·3		0·1
Non-retired households											
1 adult	−0·2	−0·1	1·1	1·9	3·0	4·0	4·4	3·9	2·4		3·3
2 adults	−0·4	−0·3	0·2	1·2	2·7	3·7	4·3	4·4	3·9	2·2	3·8
2 adults, 1 child					4·3	4·6	4·7	4·2	3·4	2·1	4·0
2 adults, 2 children				1·6	3·8	4·4	4·6	4·0	3·3	1·9	3·9
2 adults, 3 children						4·5	4·4	3·8	3·1	1·6	3·5
2 adults, 4 children						2·8	4·3	3·6			3·4

The rest of direct taxation, apart from income tax, is made up of employees' (and self employed) national insurance contributions. Table E shows these contributions, again as percentages of original income *plus* cash benefits. For each household type, the percentages tend to rise and then to fall as original income rises. This is determined by the number, and level of earnings, of the workers in the household. Households with low original incomes will tend to have no workers, or at most one worker, and therefore to pay relatively little in national insurance contributions.

During 1975 the national insurance contribution system changed from one of flat-rate contributions with graduated contributions on gross pay in the range £9·00 per week to £62·00 per week, to one with constant proportional contributions on gross pay in the range of £11·00 per week to £69·00 per week. The change was effective from 6 April 1975.

Total indirect taxes as a percentage of disposable income

TABLE F

	Percentage										
	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490	8,038 and above	Average over all income ranges
All households in the sample	19·8	22·5	20·0	21·2	22·8	23·7	21·7	20·6	19·6	18·0	20·5
Retired households											
1 adult	17·3	20·6	18·5	18·1	15·6	19·8	15·7				17·4
2 adults	20·2	18·2	17·3	19·9	19·5	19·8	17·0	17·2	14·1		19·1
Non-retired households											
1 adult	25·3	23·3	19·0	16·8	21·7	22·8	19·9	19·1	16·3		20·3
2 adults	26·8	23·8	22·9	26·0	25·2	24·4	21·5	19·9	17·6	14·4	19·8
2 adults, 1 child					26·6	26·9	23·5	20·2	18·3	16·2	21·4
2 adults, 2 children				24·1	22·4	24·2	21·8	20·2	19·2	14·5	20·5
2 adults, 3 children						22·6	20·3	20·4	16·4	18·2	19·6
2 adults, 4 children						26·1	22·2	18·3			20·8

Net local authority rates as a percentage of disposable income

TABLE G

	Percentage										
	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5 490-	8,038 and above	Average over all income ranges
All households in the sample	5·8	5·4	4·6	4·5	4·2	3·7	3·1	2·6	2·3	2·0	2·9
Retired households											
1 adult	6·6	5·8	5·7	5·1	5·3	5·4	4·3				6·0
2 adults	4·7	4·4	4·2	4·0	3·8	4·6	3·7	3·5	2·8		4·2
Non-retired households											
1 adult	6·9	7·1	5·8	5·7	4·9	3·8	3·4	2·9	2·7		3·9
2 adults	4·3	4·7	4·2	5·0	4·3	3·6	3·1	2·5	2·3	2·0	2·7
2 adults, 1 child					3·5	3·5	3·1	2·8	2·5	2·1	2·9
2 adults, 2 children				3·8	4·0	3·4	3·3	2·9	2·9	2·8	3·1
2 adults, 3 children						3·6	3·1	2·8	2·8	2·7	2·9
2 adults, 4 children						4·1	2·8	2·5			2·9

Indirect taxes as a percentage of disposable income of all households

TABLE H

	Percentage										
	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
Rates	5·8	5·4	4·6	4·5	4·2	3·7	3·1	2·6	2·3	2·0	2·9
Beer	0·8	1·0	0·9	0·9	0·9	1·5	1·5	1·5	1·4	1·2	1·3
Wines and spirits	0·8	1·1	0·8	1·4	1·5	1·8	1·4	1·6	1·7	2·3	1·6
Tobacco	3·2	3·9	3·3	3·5	4·0	4·2	3·5	3·0	2·4	1·8	3·0
Value added tax	2·2	3·0	2·5	2·8	3·2	3·2	3·2	3·3	3·6	3·4	3·3
Oil	0·6	0·9	1·3	1·2	1·8	2·0	2·1	2·1	2·1	1·7	1·9
Import duty	0·4	0·4	0·4	0·4	0·4	0·4	0·4	0·4	0·4	0·3	0·4
Intermediate taxes	4·9	5·6	4·9	5·3	5·4	5·5	5·1	4·9	4·8	4·5	4·9
Other	1·1	1·2	1·3	1·3	1·4	1·3	1·4	1·2	1·0	0·8	1·1
Total indirect taxes	19·8	22·5	20·0	21·2	22·8	23·7	21·7	20·6	19·6	18·0	20·5

Indirect taxes and subsidies

The amount of subsidies received and indirect tax paid depends on how each household spends its money, because both subsidies and indirect taxes are different for different types of goods and services. If the proportion of household income spent on the item rises with income, indirect taxes on a particular good or service will tend to be progressive, that is to take proportionately more income from better-off households. They will tend to be regressive, that is to take proportionately more income from less well-off households, if the proportion of income spent on the item falls with rising income. The following paragraphs discuss the initial impact of the various indirect taxes and subsidies as shown in the tables. It should be remembered that, as explained in the first section, they may have secondary and subsequent effects on income distribution and these effects are not considered here.

The overall effect of indirect taxes, shown as percentages of disposable income, are given in Table F. The net effects of local rates are shown in Table G. Indirect taxes as a whole tend to take a lower proportion of income from those households with higher incomes. The proportion of income taken over low and middle income ranges varies and is complicated by the effect of local rates, where the real impact on those households in the two lowest income brackets is rather overstated. While rates are included net of rate rebates for those households which receive a rebate, no rebate is made to ratepayers getting supplementary benefit or supplementary pensions. An allowance for rates is added to the supplementary benefit, but this appears as an increase in cash benefits rather than a reduction in rates paid.

Food subsidies

TABLE I

£ per year

	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	19	21	22	25	25	29	34	37	41	43	32
Retired households											
1 adult	15	17	16	15	15	17	13				15
2 adults	23	23	26	29	26	29	28	37	27		25
Non-retired households											
1 adult	13	15	15	14	14	12	13	13	14		13
2 adults	22	21	24	25	27	25	26	25	25	23	25
2 adults, 1 child					31	29	33	36	34	41	34
2 adults, 2 children				30	38	38	39	41	46	45	40
2 adults, 3 children						42	47	49	52	38	47
2 adults, 4 children						47	51	58			55

Housing subsidies

TABLE J

£ per year

	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2 561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	130	111	83	82	87	90	73	53	50	36	77
Retired households											
1 adult	108	79	21	49	5	5	—				89
2 adults	166	93	66	50	23	22	—	—	—		106
Non-retired households											
1 adult	106	145	126	87	71	70	63	21	30		75
2 adults	141	214	126	74	97	79	67	45	31	4	59
2 adults, 1 child					31	73	44	45	18	—	46
2 adults, 2 children				169	148	84	68	37	14	—	55
2 adults, 3 children						129	79	65	23	17	75
2 adults, 4 children						224	153	91			152

Indirect taxes *less* subsidies as a percentage of disposable income

TABLE K

Percentage

	Range of original income: £ per year										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	5·3	11·9	12·9	14·8	16·6	18·2	17·8	18·1	17·9	16·9	16·9
Retired households											
1 adult	3·0	11·6	15·5	13·6	14·5	18·9	15·2				7·7
2 adults	5·5	10·7	11·7	15·8	17·2	17·9	16·1	16·4	13·6		11·8
Non-retired households											
1 adult	10·0	6·3	5·3	8·3	15·9	18·2	16·6	18·1	15·4		15·6
2 adults	13·8	7·5	13·4	19·9	18·4	19·5	17·9	17·9	16·4	14·0	17·2
2 adults, 1 child					22·9	21·8	20·5	17·9	17·2	15·7	18·9
2 adults, 2 children				12·9	12·1	18·4	17·9	18·1	18·1	13·9	17·7
2 adults, 3 children						14·9	15·8	17·4	14·9	17·4	16·1
2 adults, 4 children						14·9	15·3	14·6			14·7

Value added tax and oil duty are both somewhat progressive, reflecting the fact that demand for the products to which they apply tends to rise more than proportionately with income. Excise duty on tobacco is slightly regressive overall but the duty on drink is broadly neutral in its effect. Intermediate taxes appear to be regressive, but not very markedly so. The effects of these components of total indirect taxes are shown for all households together as percentages of disposable income in Table H.

The average amounts which the different types of household received in food and housing subsidies are shown in Tables I and J. Like expenditure on food, receipts of food subsidies depends more on the number of adults and children in each household than on income level (and decline as a percentage of income as incomes rise). The pattern of receipts of housing subsidies for all household types has two peaks, at the lowest income level and at the bottom quartile of original income. Households with 3 and 4 children receive significantly greater than average subsidies, those with 1 or 2 children rather less than average. The subsidies for retired households are concentrated in the lowest income group, although on average they receive no more than non-retired households. This table does not show the implicit subsidies received by those getting mortgage relief

The figures for housing subsidies for 1973 and 1974 have been revised and are shown in Appendix II Table 9 (see also Appendix I). A number of printed errors in last year's article are corrected in the footnote to Table 9.

Indirect taxes are treated here as part of the same stage of redistribution as indirect transfers – that is, subsidies. An average shopping basket will almost certainly contain goods bearing value added tax together with subsidised foods, and both these types of goods, on the assumptions used here, will bear a share of intermediate taxes. Similarly, many households are likely to hand over one payment for rates and rent. Rates are an indirect tax, while most council rents are reduced by housing subsidies which, like food subsidies, are an indirect transfer. Subsidies – particularly housing subsidies – are progressive in their effect (that is they represent higher percentages of the incomes of less well-off households), and they offset to quite a substantial extent the regressive impact of indirect taxes. The combined effect of indirect taxes and indirect transfers (or subsidies) is shown as a percentage of disposable income in Table K

Benefits in kind

TABLE L

	£ per year										
	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	282	429	321	355	381	495	540	580	621	606	494
Retired households											
1 adult	156	155	155	150	154	138	147				154
2 adults	303	307	296	286	282	282	261	272	281		295
Non-retired households											
1 adult	287	368	282	123	85	122	72	65	69		142
2 adults	395	264	255	283	236	257	184	165	151	183	194
2 adults, 1 child					363	505	448	446	528	381	464
2 adults, 2 children				663	740	671	681	726	740	737	707
2 adults, 3 children						1,172	1,105	1,170	1,178	868	1,137
2 adults, 4 children						1,428	1,573	1,599			1,554

Benefits from the education service

TABLE M

	£ per year										
	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	74	218	87	135	172	250	288	343	375	345	258
Retired households											
1 adult	—	—	—	—	—	—	—				—
2 adults	2	—	—	—	—	—	—	—	—		1
Non-retired households											
1 adult	198	267	164	29	—	44	—	—	3		60
2 adults	229	—	—	46	34	68	11	17	14	28	27
2 adults, 1 child					125	102	141	208	238	99	176
2 adults, 2 children				389	454	389	398	458	479	467	432
2 adults, 3 children						807	774	829	834	555	796
2 adults, 4 children						991	1,168	1,212			1,154

Benefits from the national health service

TABLE N

£ per year

	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490	8,038 and above	Average over all income ranges
All households in the sample	200	205	228	210	195	228	234	217	230	246	220
Retired households											
1 adult	156	155	155	150	154	138	147				154
2 adults	301	307	296	286	282	278	261	272	281		294
Non-retired households											
1 adult	89	101	118	94	84	78	72	65	66		82
2 adults	166	264	255	237	201	188	173	148	137	155	167
2 adults 1 child					231	396	299	223	276	271	277
2 adults, 2 children				239	248	255	255	234	223	221	243
2 adults, 3 children						296	279	270	276	258	277
2 adults, 4 children						342	318	302			317

Benefits in kind

The inclusion with other forms of income of current benefits in kind is shown at the bottom of the diagram on page 99. Table L shows the total of all allocated benefits in kind and Tables M and N show the education and health benefits going to each type of household. The ways in which the benefits of the education and health services and of welfare foods are allocated are explained in Appendix I. The allocation of benefits in kind depends far more on the composition of each household than on its income.

In interpreting the allocation of education benefits to different income groups it is important to remember two factors. First, that people aged 16 and over are counted as adults and the benefits of sixth form education are therefore in general shown as going to households with 3 or more adults. Secondly, that for households with children, there is a tendency for better-off parents to be older and consequently to have older children; that is, to have fewer children under school age and more children in secondary school than less well-off households with the same number of children. For that reason they will tend to benefit more from the education service. This factor probably explains most of the general rise in education benefits with income which is shown in Table M for households with two adults and children.

The method of allocating health service benefits is entirely dependent on the age and sex of the people in each household (except in the case of benefit from the maternity services which is allocated to households reported in the Family Expenditure Survey to have received national insurance maternity benefits). The variation in health service benefits shown in Table N is therefore dependent on the average age and sex structure of each household type. The highest benefits are allocated to households with retired people or very young children who make greater demands on the health service than people of working age.

Benefits and taxes – the total impact

Table O shows the sum of all kinds of benefits allocated in this analysis to different types of household. Table P shows a similar analysis of allocated taxes. The sums of allocated benefits, which are in effect the part of the 'social wage' which can be allocated in this exercise to households of particular types, are largest *per capita* for retired households and for households with children. The amounts are highest for those with the lowest original incomes, but the variation by household composition is also very substantial because so many of the benefits included go to virtually all people in particular age groups, like pensioners or school children, whatever the income of their household. The totals paid in taxes, on the other hand, are much higher for those households with higher incomes and the variation by household type is less marked than the variation by income. The net result in money terms is to redistribute income both from households with larger incomes to those with smaller incomes and from the smaller households to the larger ones.

Chart 1 shows in absolute terms the make up of benefits received by the different types of household in the income ranges shown in the summary tables. For each type of household the benefits going to the least well-off are higher, largely because of their much greater receipts of cash benefits. These consist mainly of pensions and supplementary benefits for households without children; and national insurance benefits (sickness and unemployment benefit) and supplementary benefit for households with children. Chart 1 also shows the make-up of total tax paid by the different types of household. In absolute terms, the better-off households in each case pay very considerably more indirect tax, but most of the difference between the total tax paid by the better-off and least well-off households is due to the amounts of income tax paid by the better-off.

Chart 2 also shows receipts of benefits and payments of tax by the different types of household, but this time as percentages of original income *plus* cash benefits.

The pattern of redistribution is complex. But it is clear that income is redistributed from working people with higher incomes and few children both to those who are working but have lower incomes and more children and to those who are dependent on cash benefits. Income tax and cash benefits taken together have the major impact in redistributing income from households in the higher income ranges to households in the lower income ranges. Benefits in kind tend to be higher for the larger households within

Total benefits

TABLE O

£ per year

	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	1,361	1,367	1,279	1,232	1,036	975	847	816	844	810	980
Retired households											
1 adult	1,047	890	826	821	815	731	761				988
2 adults	1,655	1,518	1,416	1,415	1,310	1,254	1,170	1,302	1,035		1,507
Non-retired households											
1 adult	1,062	1,033	868	607	425	348	200	135	120		467
2 adults	1,663	1,439	1,328	1,140	913	702	443	301	245	254	488
2 adults, 1 child					683	755	601	579	628	495	654
2 adults, 2 children				1,662	1,363	960	898	902	883	848	946
2 adults, 3 children						1,586	1,403	1,479	1,411	1,050	1,471
2 adults, 4 children						2,160	2,049	1,968			2,127

Total taxes

TABLE P

£ per year

	Range of original income										
	Under 381	381-	557-	816-	1,194-	1,749-	2,561-	3,750-	5,490-	8,038 and above	Average over all income ranges
All households in the sample	205	308	360	463	629	889	1,234	1,758	2,529	4,354	1,366
Retired households											
1 adult	152	262	319	430	567	910	1,244				263
2 adults	263	302	356	481	674	919	1,204	1,938	2,612		516
Non-retired households											
1 adult	183	249	287	384	604	920	1,307	1,778	2,328		914
2 adults	328	335	394	522	671	922	1,263	1,811	2,461	4,226	1,610
2 adults, 1 child					578	883	1,255	1,705	2,467	3,566	1,493
2 adults, 2 children				467	516	793	1,180	1,687	2,510	4,571	1,524
2 adults, 3 children						735	1,096	1,611	2,097	6,556	1,632
2 adults, 4 children						836	1,203	1,485			1,289

each income range and hence tend to redistribute resources to the larger households (and to some extent also to the elderly households) in each range. The other taxes and benefits make lesser although still very significant contributions to the final effect. This complex pattern of redistribution is due largely to different policies with varied purposes; it does not stem from a policy explicitly designed to produce a particular intended redistributional effect. However the Government can on occasion use two or more stages of the process to produce a specific redistributional effect (such as the raising of family allowances combined with increased claw-back *via* the lowering of tax allowances for children for whom family allowances are received).

It is very difficult to say how the final overall effects set out in Tables O and P are influenced by the quality of the basic data and by the assumptions and approximations which have been made. With better information on use of services the attribution of health services benefits could be improved, and spending on personal social services, libraries, parks, and refuse collection, etc. could be included in the analysis. It might also be possible to allocate some of the relevant spending on police and fire services to those types of households making the greatest demands on property protection services. But the total of all the extra items would be small relative to the total already allocated, and although there may be some tendency for the services they cover to be used more intensively by households with higher incomes, any such effect would probably not be large enough to change the overall picture greatly. The effects of several alternative sets of assumptions about the incidence of all unallocated benefits are discussed in a paper by Nicholson and Britton.[4] The picture would also be changed somewhat if different assumptions were made about the valuation of benefits in kind going to each household, and the incidence of taxes were estimated in a different way. But the results presented here aim at giving a comprehensible picture of the impact of government expenditure and taxation on individual households in different circumstances – and there are practical and presentational advantages in a straight-forward approach.

Future articles

It is proposed that in the future the annual articles in this series should contain fewer purely numerical tables and more discussion, the tables would still be available from CSO on request. We would be grateful for any comments readers may have on this proposal.

[4] 'The Redistribution of Income'; J. L. Nicholson and A. J. C. Britton published in *The Personal Distribution of Incomes* 1976. (George Allen and Unwin).

APPENDIX I

Definitions and method

Family Expenditure Survey

The estimates in this article are based on an extended analysis of data derived from the Family Expenditure Survey (FES). The FES is a continuous annual survey of the expenditure of households; households are also questioned in detail about their income from all sources, but there is no systematic linkage of income and expenditure to yield a balanced household budget. One of the main purposes of the Family Expenditure Survey is to yield information on household expenditure patterns for use in weighting the index of retail prices. The Survey is conducted by the Office of Population Censuses and Surveys on behalf of the Department of Employment who analyse and report on the Survey. The latest report is *Family Expenditure Survey Report for 1975*. Details of the Survey method are set out in *Family Expenditure Survey – Handbook on the sample, fieldwork and coding procedure* by W F F Kemsley. Both are published by Her Majesty's Stationery Office.

The number of households co-operating in the FES in 1975 was 7,203. This is considerably more than in 1974 when the sampling was suspended during the two general election campaigns. The effective response rate was 70 per cent which is similar to recent years.

Households

A household is defined in the FES as comprising persons who live at the same address and who share common catering for at least one meal a day. In the article, in order to maintain comparability with earlier years all persons aged 16 and over are counted as adults.

A retired household is defined as one in which the combined income of members who are at least 60 and describe themselves as retired or unoccupied amounts to at least half the total gross income of the household. Pensioner households are defined as those where more than three-quarters of the household income consists of national insurance retirement and similar pensions, or supplementary allowances supplementing such pensions.

There is some evidence that households who respond to the FES differ from those who do not (see 'Family Expenditure Survey: A study of differential response based on a comparison of the 1971 sample with the census', W F F Kemsley, *Statistical News, No. 31*, November 1975).

It is believed that older households, households where the head of household is self-employed and households without children are less likely to co-operate. There are regional variations in response: in the GLC area it is noticeably lower than in other areas. There are also indications that higher income households are less likely to respond. It is not possible at present to correct for non-response bias and all tables are based on households actually co-operating in the survey.

Original income

The Original income of the household corresponds to the total combined income of the members of the household from employment, self-employment and investment, including occupational pensions. It is based on a concept of 'Normal income' around which the FES income questions are structured. Normal income is a function of the income received in the pay period preceding the interview (usually a week or a month) adjusted, in those cases where the last payment was abnormal, to take account of the amount usually received. Allowance is also made for periods of absence from work through sickness and unemployment, and for occasional payments. In the case of investment and self-employment income the normal income figure is taken as the amount received in the last twelve months for which details are available.

Some income in kind is taken into account, though the coverage of fringe benefits is not comprehensive. Households living in owner-occupied or rent-free dwellings are assigned an imputed income based on the rateable value of the dwelling. The various components of income are converted to estimated normal annual rates.

Direct benefits

These consist of:

- Family allowances
- Retirement and old-age pension, widow's pension, disablement and war disability pension, invalidity pension and allowance
- Unemployment benefit, sickness and industrial injury benefits
- Family income supplement, supplementary benefits
- Maternity benefit
- Death grant, redundancy payment
- Other cash benefits

Supplementary benefits include all supplementary allowances where separately distinguished by respondents. The amount of benefit is taken as the amount received by the household in the twelve months prior to interview. Redundancy benefit is the sole exception to this: the amount of benefit received is divided by the number of years it is intended to cover. Adding direct benefits to original income gives *original income plus cash benefits.*

Direct taxes

These are:

- Income tax
- Surtax
- Employees' and self-employed contributions to national insurance and national health services

The estimates are based on the amount deducted from the last payment in the case of employment incomes and on the amount paid in the last twelve months for which figures are available in the case of self-employment and investment incomes.

Disposable income

Original income *plus* direct benefits *less* direct taxes gives *disposable income.*

Indirect benefits

- Housing subsidies
- Food subsidies

Housing subsidies for local authority tenants are defined as the difference between current account expenditure by public authorities on housing (the sum of the 'economic grants') and the rents paid by tenants of local authority dwellings. The subsidy is estimated separately for each local

authority dwelling in the sample and is taken to be the excess of the estimated economic rent over the actual rent paid by the tenant. The subsidy therefore includes any rent rebates which the tenant may be allowed. The economic rent is calculated by marking-up the rateable value of the dwelling in the ratio of the total current account expenditure on all dwellings owned by the local authority to the total rateable value of these dwellings. The housing subsidies estimated for a particular household can (exceptionally) be negative. In the case of non-local authority tenants the value of any rent allowances received is counted as a housing subsidy, and is not included in original income.

The 1973 housing subsidies figures have been revised to take account of the 1973 rating revaluation in England and Wales. Since the re-organisation of local authorities the data on which the housing subsidies calculations are based have been very late and incomplete, although this is now improving. The 1974 figures have therefore been revised to take account of improved data; the 1975 figures will be revised at a later date, if necessary. The revisions to 1973 and 1974 data (including the revised figures for final income) are shown in Table 9.

Food subsidies are estimated by applying the cost of the subsidies to estimates of consumers' expenditure in the subsidised product field; no estimate has been made of the additional small effect that may occur if adjustments to retailers' margins take place.

The subsidy factors derived in this way are applied to the actual expenditures on the product field recorded by each household. It is not possible to distinguish expenditure on subsidised and unsubsidised categories within each product field. Consumer subsidies on milk, butter, cheese, household flour, bread and tea are treated in this way.

In accordance with practice in earlier years, agricultural subsidies are regarded as forming part of the original income of farmers and not as benefits to the consumer.

The subsidies do not include payments by EEC. These included £36 million special import subsidies on sugar, £11 million social beef subsidies, £21 million butter subsidies, and £156 million net in intra-community trade MCAs (monetary compensation amounts, related to the value of the green pound). Not all of this amount can be directly allocated to households.

Indirect taxes

i. On final consumer goods and services:

Local domestic rates on dwellings (after rebates)

Customs and excise duty on beer, wines, spirits, tobacco, oil, betting, etc.

Value added tax

Car tax

Motor vehicle duties

Driving licences

Television licences

Stamp duties

Indirect taxes on final consumer goods and services are either paid in full by the consumer (for example local rates) or assumed to be fully incident on the consumer. For example, the amount of value added tax paid by a household is calculated from its total expenditure on those classes of goods and services subject to the different rates of VAT. In the case of those goods which are subject to both excise duties and VAT, the VAT is consolidated with the excise duty, reflecting the situation at the introduction of VAT. Thus 'duty on wines', for example, includes both excise duty and VAT.

VAT and car tax affect the prices of second-hand cars and are therefore assumed to be incident on the purchase of second-hand cars. Expenditure on alcoholic drink, tobacco, ice-cream, soft drinks and confectionery recorded by households is weighted to allow for the known under-recording of these items in the FES. The true expenditure in each case is assumed to be proportional to the recorded expenditure. It should be noted that rates are paid in full by recipients of supplementary benefit as the supplementary benefit covers this payment.

ii. On intermediate goods and services:

Local rates on commercial and industrial property

Vehicle licences

Customs and excise duties on hydrocarbon oils

Import duties

Stamp duties

Employers' contributions to national insurance and national health services and to redundancy fund.

Indirect taxes on intermediate products are defined as taxes falling on goods and services purchased by industry and used in the production of goods and services bought by consumers. Their allocation between different categories of expenditure is based on input-output tables. That part of those taxes which bears on goods and services bought by consumers is assumed to be fully shifted onto the consumer.

Income after all taxes and transfers

Disposable income *plus* indirect benefits *less* indirect taxes gives *Income after all taxes and transfers.*

Benefits in kind

National health service

State education

School health service

Scholarships and education grants from public funds

School meals, milk and other welfare foods.

The benefit of the national health service is estimated at the average national cost of providing the service to individuals. The value of the benefit to households is assigned on the basis of household composition using estimates of the cost of the health service by age and sex groups. The benefit of the maternity services is assigned separately to those households in receipt of maternity benefit.

Education benefit is based on the estimated cost per pupil or student of the various educational services, for example special schools, primary, secondary and direct grant schools, universities and teachers' training colleges. The value of the benefit attributed to households is dependent on the number of persons in the household recorded in the FES as receiving each kind of education.

The figures for 1975 include two additional items which have not previously been allocated – the cost of transport between home and school and the fees paid to universities and other higher educational establishments as part of the LEA/DES awards to students. Together they add approximately 2 per cent to the education benefits allocated to households.

Actual scholarship payments by the state are added and the individual household's benefit is net of the fees and contributions made by parents.

School meals and other welfare foods. The value of these benefits is based on their cost to public authorities. The individual household's benefit is net of the contributions from the household.

Final income

Income after all taxes and transfers *plus* benefits in kind gives *final income*.

Sampling error

As the majority of statistics shown in this article are based on samples, the figures are subject to sampling error. The customary method of measuring this is to calculate the standard error associated with an estimate based on a sample. The standard error of the estimated number with particular characteristic is obtained from the formula $\sqrt{npq}$ where n is the size of the sample, (in this case 7,203 households), p is the proportion with the characteristic and $q=(1-p)$. In the case of large samples there is a 1 in 20 chance that this estimate will differ from the true value by more than $1{\cdot}96\sqrt{npq}$. The limits $\pm 1{\cdot}96\sqrt{npq}$ are usually referred to as the 95 per cent confidence limits of the sample estimate. When the number in the sample is small, that is $np<15$, the calculation of the confidence limits is slightly more complicated.

In the following table, specimen sample numbers of households, and the range within which it is expected with 95 per cent confidence the number of households will lie, are shown.

Number of households in the sample with a particular characteristic (*np* where the sample size *n*, is 7,203)	Sample Standard error	Range within which it is expected with 95 per cent confidence the number of households will lie	
Sample size		lower limit	upper limit
0	0	0	4
5	2·2	2	12
10	3·2	5	18
15	3·9	7	23
25	5·0	15	35
50	7·0	36	64
100	10	80	120
250	16	219	281
500	22	457	543
1000	29	942	1058

Previous articles

This article is the latest in an annual series. Earlier articles covering the years 1957 to 1973 were published in *Economic Trends:* November 1962, February 1964, August 1966, February 1968, 1969, 1970, 1971, 1972, November 1972 and 1973, December 1974, February 1976. The December 1974 article contains a comprehensive account of the methods employed and the changes in treatment over the years. As far as is practicable with the resources available the CSO will provide on request analyses for 1975 on a comparable basis to earlier years.

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Average incomes, taxes and benefits—1975

By household composition

TABLE 1

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
All households in the sample																	
Number of households	*1,151*	*167*	*203*	*119*	*123*	*156*	*201*	*292*	*455*	*617*	*818*	*823*	*828*	*527*	*370*	*353*	*7,203*
Original income	102	470	687	902	1,085	1,324	1,601	1,940	2,341	2,841	3,429	4,126	4,993	5,990	7,239	10,569	3,386
Direct benefits in cash:																	
family allowance	7	7	9	9	20	9	20	28	34	31	44	41	37	33	29	28	28
retirement and old age pension	606	624	655	599	450	352	268	226	156	93	55	46	40	48	43	46	213
widow's pension	32	50	37	50	55	64	54	27	26	8	14	13	10	7	8	8	21
disablement and war disability pension	15	12	15	18	11	1	7	11	9	8	5	8	7	8	3	4	9
invalidity pension and allowance	39	27	42	26	41	37	14	28	19	23	10	10	3	8	7	9	18
unemployment benefit	10	34	29	20	36	23	44	29	23	11	12	4	10	7	7	4	13
sickness and industrial injury benefit	5	7	12	16	26	26	34	28	32	22	24	18	15	16	10	11	17
family income supplement	—	—	2	—	6	3	4	2	1	—	—	—	—	—	—	—	1
supplementary benefit	208	43	36	44	100	66	55	23	21	17	12	9	13	10	7	11	50
maternity benefit	—	—	—	—	1	1	2	4	7	6	6	3	2	2	3	2	3
death grant	1	2	1	1	—	1	—	1	1	—	—	—	—	—	—	1	1
redundancy payment	—	—	—	—	1	—	—	1	1	—	1	1	1	1	—	—	1
other cash benefits	7	—	14	5	6	6	5	4	1	2	1	—	1	—	2	—	3
Original income and cash benefits	1,032	1,277	1,540	1,689	1,840	1,913	2,108	2,352	2,670	3,063	3,612	4,280	5,131	6,129	7,359	10,694	3,763
Direct taxes:																	
national insurance, employees' contributions	—	—	5	9	18	35	51	68	98	128	154	178	207	236	274	296	130
income tax and surtax	1	26	60	94	105	152	187	234	325	436	543	707	898	1,118	1,493	2,671	617
Disposable income	1,031	1,250	1,474	1,586	1,717	1,726	1,869	2,050	2,247	2,499	2,916	3,395	4,025	4,775	5,592	7,727	3,016
Indirect benefits:																	
housing subsidies	130	111	83	65	98	64	105	99	84	76	70	56	51	55	43	36	77
food subsidies	19	21	22	23	26	24	26	27	30	32	36	36	38	40	43	43	32
Indirect taxes:																	
local rates	59	67	67	69	79	75	77	80	80	81	89	93	100	113	122	155	89
on other final goods and services	93	144	155	169	207	251	230	280	338	331	398	451	517	594	709	883	381
on intermediate products	51	70	72	75	100	104	93	111	124	130	147	167	197	230	268	349	149
Income after all taxes and transfers	976	1,101	1,284	1,362	1,454	1,385	1,601	1,707	1,819	2,065	2,389	2,776	3,300	3,932	4,578	6,418	2,506
Direct benefits in kind:																	
education	74	217	87	64	203	147	191	220	269	246	320	389	347	368	385	344	258
national health service	200	205	228	211	209	188	201	215	236	230	237	220	213	225	237	246	220
welfare foods	7	7	6	4	15	10	17	14	20	15	21	21	20	16	17	15	16
Income after all taxes and benefits	1,258	1,530	1,605	1,641	1,882	1,730	2,010	2,155	2,344	2,556	2,966	3,356	3,880	4,541	5,217	7,024	3,000

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income															Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above
(i) Retired and non-retired households																
1 adult																
Number of households	*698*	*92*	*77*	*46*	*43*	*56*	*61*	*72*	*79*	*78*	*57*	*40*	*20*	*10*	*4*	*9* *1,442*
Original income	90	466	680	906	1,088	1,327	1,574	1,936	2,338	2,855	3,455	4,117	5,090	5,946		1,123
Direct benefits in cash:																
family allowance	—	—	—	—	—	—	—	—	—	—	3	—	—	8		—
retirement and old age pension	518	508	463	420	360	279	203	123	99	80	52	67	51	—		373
widow's pension	34	52	51	52	92	88	108	66	75	—	50	—	—	—		44
disablement and war disability pension	8	6	—	—	—	3	—	7	3	—	—	7	12	—		5
invalidity pension and allowance	14	9	—	—	—	—	—	—	—	—	—	—	—	—		7
unemployment benefit	3	4	5	5	5	3	8	10	4	6	1	1	—	—		4
sickness and industrial injury benefit	3	4	—	—	3	9	2	13	8	5	5	1	4	—		4
family income supplement	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
supplementary benefit	166	7	14	9	1	3	—	15	—	—	9	—	—	—		83
maternity benefit	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
death grant	1	3	2	1	1	2	—	1	2	1	1	1	—	—		1
redundancy payment	—	—	—	—	1	1	1	—	—	—	1	—	—	—		—
other cash benefits	11	—	23	14	18	15	—	—	—	—	—	—	—	—		8
Original income and cash benefits	849	1,059	1,238	1,407	1,571	1,730	1,896	2,171	2,528	2,946	3,577	4,194	5,157	5,954		1,654
Direct taxes:																
national insurance, employees' contributions	—	—	5	11	16	30	46	63	88	122	133	155	164	182		33
income tax and surtax	2	39	87	142	188	205	298	362	493	650	805	894	1,239	1,569		229
Disposable income	847	1,020	1,145	1,254	1,367	1,494	1,553	1,746	1,947	2,174	2,639	3,144	3,754	4,203		1,393
Indirect benefits:																
housing subsidies	107	101	63	58	80	44	61	66	53	45	74	25	8	39		83
food subsidies	15	16	16	15	14	15	14	14	13	14	12	13	12	17		14
Indirect taxes:																
local rates	56	63	65	65	77	74	80	74	78	74	95	94	107	131		67
on other final goods and services	58	101	93	88	98	167	149	218	272	235	325	392	340	486		134
on intermediate products	39	54	56	53	78	73	63	86	92	94	116	139	143	173		63
Income after all taxes and transfers	816	919	1,010	1,122	1,208	1,239	1,336	1,448	1,570	1,830	2,189	2,559	3,185	3,470		1,225
Direct benefits in kind:																
education	19	90	66	—	31	—	1	49	26	—	—	—	—	4		24
national health service	149	137	140	126	115	112	96	86	89	79	80	71	70	64		125
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Income after all taxes and benefits	984	1,146	1,216	1,247	1,354	1,351	1,432	1,583	1,685	1,910	2,269	2,630	3,254	3,537		1,374

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
2 adults																	
Number of households	*348*	*54*	*103*	*56*	*48*	*62*	*68*	*108*	*147*	*189*	*205*	*236*	*247*	*157*	*91*	*77*	*2,196*
Original income	132	479	686	896	1,073	1,328	1,615	1,956	2,331	2,828	3,432	4,112	4,974	5,981	7,186	11,054	3,129
Direct benefits in cash:																	
family allowance	1	—	—	—	—	—	—	—	—	—	—	1	—	—	1	—	—
retirement and old age pension	921	925	868	864	705	535	489	440	229	147	83	58	48	50	48	45	353
widow's pension	2	24	11	20	49	36	64	12	36	11	18	20	8	2	—	8	15
disablement and war disability pension	26	27	13	3	24	—	15	14	3	16	3	10	15	2	—	4	12
invalidity pension and allowance	69	24	51	45	50	71	42	18	33	12	10	3	2	4	6	—	26
unemployment benefit	5	14	14	4	28	33	22	8	22	14	9	2	5	3	1	—	9
sickness and industrial injury benefit	6	5	10	9	22	23	37	15	27	20	26	14	13	9	2	7	15
family income supplement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
supplementary benefit	128	33	10	30	29	29	27	12	16	12	8	—	—	1	—	—	28
maternity benefit	—	—	—	—	3	1	1	—	—	1	1	1	—	—	—	1	1
death grant	—	—	1	1	—	—	—	—	—	—	—	—	—	—	—	1	—
redundancy payment	—	—	1	—	1	—	—	1	—	1	1	1	1	1	—	—	1
other cash benefits	1	—	10	—	—	—	2	—	4	5	—	—	—	—	—	—	1
Original income and cash benefits	1,291	1,531	1,674	1,873	1,983	2,057	2,313	2,476	2,702	3,067	3,592	4,222	5,065	6,052	7,244	11,119	3,590
Direct taxes:																	
national insurance, employees' contributions	—	—	4	7	9	24	45	65	89	121	148	181	212	234	258	236	115
income tax and surtax	2	12	53	77	101	132	239	278	358	497	628	822	1,021	1,221	1,640	2,941	618
Disposable income	1,289	1,518	1,618	1,788	1,873	1,900	2,029	2,132	2,255	2,449	2,817	3,219	3,841	4,597	5,346	7,942	2,857
Indirect benefits:																	
housing subsidies	164	127	89	59	57	46	91	82	60	60	67	51	37	36	19	3	73
food subsidies	23	22	25	28	27	26	28	27	25	25	27	25	26	25	25	23	25
Indirect taxes:																	
local rates	60	68	68	76	82	79	81	93	78	79	85	86	95	111	124	158	86
on other final goods and services	140	157	170	223	234	280	247	284	346	313	388	420	471	489	583	713	343
on intermediate products	65	73	76	87	98	115	98	109	117	118	135	148	177	194	242	294	132
Income after all taxes and transfers	1,211	1,369	1,418	1,489	1,543	1,497	1,722	1,755	1,798	2,024	2,304	2,642	3,160	3,865	4,442	6,803	2,394
Direct benefits in kind:																	
education	17	—	—	—	35	33	11	93	31	20	2	11	20	12	15	27	19
national health service	292	295	280	270	267	232	231	213	195	182	172	159	147	142	143	159	204
welfare foods	—	—	—	—	—	—	—	—	1	—	—	—	—	1	—	—	—
Income after all taxes and benefits	1,520	1,664	1,699	1,759	1,845	1,762	1,965	2,061	2,026	2,227	2,478	2,812	3,328	4,020	4,600	6,989	2,617

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
2 adults, 1 child																	
Number of households	*8*	*4*	*3*	*1*	*4*	*6*	*20*	*22*	*45*	*102*	*135*	*104*	*86*	*35*	*20*	*23*	*618*
Original income							1,603	1,926	2,326	2,873	3,418	4,128	4,970	5,947	7,220	10,285	3,880
Direct benefits in cash:																	
family allowance							—	4	2	—	1	—	—	4	—	9	1
retirement and old age pension							26	—	12	4	4	—	15	20	—	—	10
widow's pension							—	40	—	9	9	9	10	—	—	39	11
disablement and war disability pension							17	—	37	—	5	2	6	—	—	—	6
invalidity pension and allowance							—	—	—	8	7	14	—	—	—	—	7
unemployment benefit							76	18	7	6	4	2	—	1	—	—	14
sickness and industrial injury benefit							47	16	32	15	25	15	8	14	3	5	20
family income supplement							—	—	—	—	—	—	—	—	—	—	—
supplementary benefit							97	47	2	—	—	—	—	—	—	—	21
maternity benefit							9	31	52	32	20	10	8	19	26	20	20
death grant							—	—	—	1	—	—	—	—	—	—	—
redundancy payment							—	—	—	1	1	2	1	—	—	—	1
other cash benefits							—	—	—	—	—	—	—	—	—	—	1
Original income and cash benefits							1,876	2,082	2,470	2,949	3,494	4,182	5,018	6,005	7,249	10,358	3,991
Direct taxes:																	
national insurance, employees' contributions							74	92	117	139	165	183	198	209	244	213	161
income tax and surtax							17	166	271	392	559	702	902	1,148	1,710	2,039	654
Disposable income							1,785	1,824	2,082	2,418	2,770	3,296	3,919	4,648	5,295	8,106	3,176
Indirect benefits:																	
housing subsidies							23	111	54	48	42	54	35	29	—	—	46
food subsidies							29	28	29	31	35	35	38	34	33	41	34
Indirect taxes:																	
local rates							59	57	75	79	85	95	104	113	135	171	92
on other final goods and services							257	300	369	355	420	444	461	520	619	818	428
on intermediate products							103	111	129	132	146	166	177	205	235	324	159
Income after all taxes and transfers							1,418	1,496	1,593	1,931	2,197	2,679	3,250	3,872	4,340	6,833	2,577
Direct benefits in kind:																	
education							132	108	99	119	158	211	204	246	225	99	176
national health service							231	325	430	331	275	227	217	267	292	271	277
welfare foods							10	13	5	6	9	16	15	11	18	11	11
Income after all taxes and benefits							1,791	1,941	2,127	2,387	2,638	3,132	3,687	4,396	4,875	7,215	3,041

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
2 adults, 2 children																	
Number of households	*8*	—	*4*	*4*	*8*	*12*	*14*	*33*	*67*	*113*	*191*	*189*	*164*	*52*	*44*	*25*	*928*
Original income						1,289	1,640	1,921	2,340	2,830	3,407	4,146	4,954	5,954	7,181	11,285	4,039
Direct benefits in cash:																	
family allowance						57	61	63	68	65	66	69	72	74	74	64	68
retirement and old age pension						—	—	—	—	—	—	—	—	—	—	—	1
widow's pension						84	—	—	—	—	—	9	8	—	—	—	6
disablement and war disability pension						—	—	5	4	6	1	3	—	—	—	—	4
invalidity pension and allowance						—	—	19	7	6	—	—	3	—	—	—	7
unemployment benefit						59	97	62	9	3	16	4	7	—	8	—	16
sickness and industrial injury benefit						96	51	19	63	25	14	8	7	5	6	—	19
family income supplement						15	1	—	—	—	—	—	—	—	—	—	—
supplementary benefit						273	93	—	7	4	—	—	—	—	—	—	17
maternity benefit						2	5	7	3	3	7	4	2	1	1	1	4
death grant						—	—	—	—	—	—	—	—	—	—	2	—
redundancy payment						—	—	3	1	—	1	—	1	—	—	—	1
other cash benefits						—	—	—	—	5	—	—	—	—	—	—	1
Original income and cash benefits						1,876	1,949	2,099	2,501	2,947	3,512	4,243	5,055	6,034	7,270	11,351	4,182
Direct taxes:																	
national insurance, employees' contributions						70	76	83	114	137	160	178	193	215	218	215	162
income tax and surtax						45	33	115	218	361	482	681	846	1,104	1,573	3,210	675
Disposable income						1,760	1,840	1,901	2,169	2,449	2,870	3,384	4,015	4,715	5,478	7,926	3,345
Indirect benefits:																	
housing subsidies						140	154	51	101	86	57	37	37	16	12	—	55
food subsidies						39	37	37	38	38	39	41	41	45	47	45	40
Indirect taxes:																	
local rates						68	76	67	72	83	93	101	112	145	153	219	102
on other final goods and services						228	215	271	330	327	382	415	496	503	638	618	413
on intermediate products						117	107	110	130	130	147	169	202	254	268	310	171
Income after all taxes and transfers						1,527	1,634	1,541	1,775	2,034	2,344	2,776	3,282	3,874	4,478	6,824	2,754
Direct benefits in kind:																	
education						593	335	349	409	373	412	431	489	514	438	467	432
national health service						227	265	265	249	249	259	240	227	225	222	221	243
welfare foods						50	29	22	30	26	29	31	36	37	37	49	32
Income after all taxes and benefits						2,397	2,263	2,177	2,464	2,681	3,045	3,479	4,034	4,649	5,175	7,562	3,461

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
2 adults, 3 children																	
Number of households	*1*	*2*	*1*	*1*	*3*	—	*4*	*12*	*20*	*49*	*66*	*56*	*45*	*31*	*7*	*18*	*316*
Original income								1 959	2,362	2,834	3,423	4,061	4,904	5,977		12,005	4,266
Direct benefits in cash:																	
family allowance								132	142	133	134	143	139	146		126	137
retirement and old age pension								—	—	—	—	—	—	—		—	—
widow's pension								—	—	—	—	—	—	—		—	5
disablement and war disability pension								13	21	—	—	9	—	—		—	3
invalidity pension and allowance								—	—	—	—	—	—	—		—	1
unemployment benefit								88	21	5	8	8	10	—		—	22
sickness and industrial injury benefit								27	22	34	25	13	12	11		—	21
family income supplement								—	—	—	—	—	—	—		—	1
supplementary benefit								26	—	—	—	46	—	—		—	16
maternity benefit								4	6	2	3	2	1	2		1	3
death grant								—	2	—	—	—	—	1		—	—
redundancy payment								—	—	—	—	—	—	—		—	—
other cash benefits								—	—	—	—	—	—	—		—	3
Original income and cash benefits								2,249	2,575	3,008	3,593	4,283	5,066	6,137		12,132	4,478
Direct taxes:																	
national insurance, employees' contributions								87	124	132	160	171	187	183		188	157
income tax and surtax								29	180	317	422	583	754	1,044		5,131	782
Disposable income								2,133	2,271	2,558	3,011	3,528	4,125	4,910		6,813	3,539
Indirect benefits:																	
housing subsidies								142	121	127	43	75	53	29		17	75
food subsidies								34	47	48	47	50	47	53		38	47
Indirect taxes:																	
local rates								63	90	86	88	97	114	139		184	103
on other final goods and services								259	325	304	372	501	453	499		646	412
on intermediate products								110	127	133	146	177	204	228		408	178
Income after all taxes and transfers								1,876	1,897	2,209	2,494	2,878	3,455	4,126		5,631	2,968
Direct benefits in kind:																	
education								591	937	801	755	816	846	802		555	796
national health service								304	291	277	281	273	267	278		258	277
welfare foods								50	80	48	54	77	61	70		55	64
Income after all taxes and benefits								2,821	3,206	3,335	3,584	4,044	4,629	5,276		6,499	4,105

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
2 adults, 4 children																	
Number of households	*2*	—	*2*	—	*3*	*1*	*2*	*8*	*15*	*8*	*23*	*17*	*14*	*6*	*3*	*3*	*107*
Original income									2,327		3,392	4,148	5,017				3,594
Direct benefits in cash:																	
family allowance									212		202	205	192				205
retirement and old age pension									—		—	—	—				—
widow's pension									—		—	—	—				—
disablement and war disability pension									—		25	—	—				8
invalidity pension and allowance									—		5	8	—				7
unemployment benefit									80		7	9	—				43
sickness and industrial injury benefit									19		43	13	6				36
family income supplement									—		—	—	—				—
supplementary benefit									123		—	—	—				66
maternity benefit									2		2	—	2				2
death grant									2		—	—	—				—
redundancy payment									—		—	—	—				—
other cash benefits									—		—	—	—				—
Original income and cash benefits									2,764		3,676	4,383	5,216				3,960
Direct taxes:																	
national insurance, employees' contributions									77		159	170	169				133
income tax and surtax									204		516	547	618				452
Disposable income									2,482		3,000	3,666	4,430				3,374
Indirect benefits:																	
housing subsidies									209		134	114	63				152
food subsidies									54		53	60	56				55
Indirect taxes:																	
local rates									108		81	90	110				96
on other final goods and services									333		429	518	339				423
on intermediate products									157		154	224	170				183
Income after all taxes and transfers									2,148		2,523	3,007	3,931				2,878
Direct benefits in kind:																	
education									905		1,184	1,280	1,130				1,154
national health service									324		322	294	312				317
welfare foods									94		90	95	72				83
Income after all taxes and benefits									3,471		4,119	4,676	5,445				4,432

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
3 adults																	
Number of households	*12*	*5*	*6*	*4*	*6*	*7*	*9*	*14*	*34*	*28*	*59*	*64*	*90*	*93*	*64*	*47*	*542*
Original income	110							1,927	2,349	2,817	3,479	4,162	5,059	6,003	7,229	10,182	4,896
Direct benefits in cash:																	
family allowance	—							—	—	—	—	—	—	—	—	—	—
retirement and old age pension	1,004							516	648	570	248	173	112	79	68	101	258
widow's pension	—							11	19	—	14	18	10	13	—	—	10
disablement and war disability pension	49							43	—	44	10	22	10	21	—	—	19
invalidity pension and allowance	206							296	70	119	30	20	3	—	—	—	36
unemployment benefit	72							—	40	12	24	10	17	7	2	—	16
sickness and industrial injury benefit	—							57	38	42	37	22	14	22	8	11	23
family income supplement	—							—	—	—	—	—	—	—	—	—	—
supplementary benefit	381							112	79	31	57	15	9	6	5	—	39
maternity benefit	—							7	—	—	—	—	—	—	—	—	—
death grant	—							—	—	—	—	—	—	—	—	2	—
redundancy payment	8							—	7	—	1	—	1	3	1	—	2
other cash benefits	—							—	—	—	—	—	9	—	—	—	2
Original income and cash benefits	1,829							2,970	3,250	3,634	3,901	4,442	5,245	6,155	7,312	10,296	5,301
Direct taxes:																	
national insurance, employees' contributions	–12							78	102	135	148	183	230	264	298	307	200
income tax and surtax	–37							259	372	504	510	719	927	1,157	1,526	2,729	969
Disposable income	1,879							2,633	2,776	2,995	3,243	3,540	4,088	4,734	5,488	7,259	4,132
Indirect benefits:																	
housing subsidies	107							73	116	62	123	72	89	94	53	47	90
food subsidies	41							32	36	40	37	35	38	38	37	39	37
Indirect taxes:																	
local rates	58							71	85	76	98	86	91	102	116	138	97
on other final goods and services	195							295	424	401	466	495	616	741	770	871	590
on intermediate products	82							118	152	150	169	169	205	257	274	349	211
Income after all taxes and transfers	1,693							2,254	2,266	2,471	2,670	2,898	3,303	3,767	4,418	5,988	3,361
Direct benefits in kind:																	
education	235							—	190	181	196	111	161	85	117	119	153
national health service	366							333	300	307	249	240	231	224	219	219	250
welfare foods	—							—	6	—	1	3	—	—	1	—	1
Income after all taxes and benefits	2,293							2,587	2,760	2,959	3,116	3,250	3,695	4,076	4,755	6,325	3,765

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
3 adults, 1 child																	
Number of households	*2*	—	*1*	*1*	*1*	*1*	*3*	*3*	*12*	*14*	*21*	*38*	*57*	*52*	*33*	*18*	*257*
Original income									2,443	2,870	3,464	4,115	5,018	6,045	7,266	9,914	5,186
Direct benefits in cash:																	
family allowance									17	11	27	16	15	13	9	37	17
retirement and old age pension									315	69	134	44	21	21	1	—	47
widow's pension									—	80	74	15	34	16	39	—	28
disablement and war disability pension									—	—	—	—	6	5	10	23	6
invalidity pension and allowance									61	70	45	—	—	—	—	—	27
unemployment benefit									87	5	35	7	16	1	4	—	18
sickness and industrial injury benefit									55	8	2	34	17	17	6	12	23
family income supplement									—	—	—	3	—	—	—	—	1
supplementary benefit									112	102	16	22	46	29	15	—	35
maternity benefit									—	—	—	8	—	—	—	4	2
death grant									3	—	—	—	1	—	—	—	—
redundancy payment									3	—	—	5	—	1	3	—	1
other cash benefits									—	—	—	—	—	—	—	—	—
Original income and cash benefits									3,096	3,216	3,796	4,270	5,175	6,148	7,354	9,991	5,391
Direct taxes:																	
national insurance, employees' contributions									87	143	156	176	222	248	292	295	210
income tax and surtax									209	265	423	545	821	1,064	1,491	2,001	865
Disposable income									2,800	2,808	3,218	3,549	4,131	4,835	5,572	7,695	4,316
Indirect benefits:																	
housing subsidies									179	152	77	88	70	65	71	42	83
food subsidies									42	40	43	43	46	45	49	45	45
Indirect taxes:																	
local rates									114	99	96	93	97	113	113	176	106
on other final goods and services									465	501	393	542	612	646	715	822	593
on intermediate products									192	186	179	179	240	240	261	330	225
Income after all taxes and transfers									2,250	2,214	2,669	2,867	3,298	3,946	4,603	6,456	3,520
Direct benefits in kind:																	
education									455	444	681	644	507	662	571	757	603
national health service									304	268	257	271	234	238	238	246	249
welfare foods									8	21	27	24	15	13	21	17	19
Income after all taxes and benefits									3,017	2,947	3,634	3,805	4,055	4,860	5,433	7,476	4,391

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
3 adults, 2 children																	
Number of households	*1*	—	—	*1*	*1*	*2*	*2*	*2*	*6*	*7*	*14*	*24*	*35*	*20*	*15*	*13*	*143*
Original income											3,545	4,196	5,072	6,012	7,208	9,652	5,089
Direct benefits in cash:																	
family allowance											68	80	82	81	79	88	79
retirement and old age pension											86	52	75	64	43	47	89
widow's pension											75	—	32	30	—	94	28
disablement and war disability pension											12	21	—	26	—	17	14
invalidity pension and allowance											—	—	28	—	—	—	31
unemployment benefit											7	7	2	—	—	—	9
sickness and industrial injury benefit											39	56	32	16	10	3	38
family income supplement											—	—	—	—	—	—	—
supplementary benefit											—	—	—	—	—	9	45
maternity benefit											2	1	2	5	—	—	3
death grant											—	—	—	2	—	—	—
redundancy payment											—	—	—	8	—	—	1
other cash benefits											56	—	—	—	45	—	10
Original income and cash benefits											3,891	4,412	5,325	6,244	7,385	9,909	5,436
Direct taxes:																	
national insurance, employees' contributions											168	179	230	254	265	268	202
income tax and surtax											419	511	925	1,007	1,352	1,612	805
Disposable income											3,304	3,723	4,170	4,983	5,768	8,029	4,430
Indirect benefits:																	
housing subsidies											42	76	70	55	33	52	73
food subsidies											53	53	54	53	57	58	52
Indirect taxes:																	
local rates											75	91	90	104	120	159	98
on other final goods and services											544	467	643	671	829	807	611
on intermediate products											204	190	234	267	309	320	233
Income after all taxes and transfers											2,574	3,104	3,328	4,050	4,600	6,853	3,613
Direct benefits in kind:																	
education											822	857	814	885	969	909	875
national health service											294	293	289	310	276	277	302
welfare foods											19	41	46	49	50	14	40
Income after all taxes and benefits											3,709	4,295	4,477	5,294	5,894	8,053	4,830

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(i) Retired and non-retired households																	
4 adults																	
Number of households	*1*	—	*1*	—	*1*	—	—	—	*2*	*5*	*7*	*14*	*21*	*25*	*33*	*50*	*160*
Original income												4,143	5,107	6,121	7,343	10,244	6,989
Direct benefits in cash:																	
family allowance												—	4	—	—	1	1
retirement and old age pension												218	169	195	104	37	169
widow's pension												—	—	—	18	—	4
disablement and war disability pension												—	—	—	7	4	14
invalidity pension and allowance												134	—	46	—	—	43
unemployment benefit												13	23	19	21	9	18
sickness and industrial injury benefit												42	43	17	25	15	26
family income supplement												—	—	—	—	—	—
supplementary benefit												75	164	—	—	15	55
maternity benefit												—	—	—	—	—	1
death grant												—	—	3	—	—	—
redundancy payment												—	5	—	—	—	1
other cash benefits												—	—	—	—	—	—
Original income and cash benefits												4,625	5,514	6,400	7,517	10,325	7,321
Direct taxes:																	
national insurance, employees' contributions												206	231	272	337	401	301
income tax and surtax												693	756	1,092	1,380	2,343	1,395
Disposable income												3 726	4,527	5,036	5,801	7,581	5,625
Indirect benefits:																	
housing subsidies												92	62	73	79	52	65
food subsidies												47	49	52	48	47	49
Indirect taxes:																	
local rates												83	84	87	103	131	100
on other final goods and services												607	763	688	879	1,060	826
on intermediate products												210	222	239	280	385	282
Income after all taxes and transfers												2,966	3,567	4,147	4,667	6,104	4,530
Direct benefits in kind:																	
education												366	205	473	157	289	287
national health service												302	271	286	268	261	288
welfare foods												—	5	4	—	3	2
Income after all taxes and benefits												3,634	4,048	4,909	5,092	6,656	5,107

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(ii) **Retired households**																	
1 adult																	
Number of households	*632*	*61*	*46*	*22*	*21*	*19*	*13*	*12*	*12*	*8*	*5*	*2*	*3*	—	*1*	*2*	*859*
Original income	88	465	684	901	1,087	1,295	1,560	1,903	2,386								407
Direct benefits in cash:																	
family allowance	—	—	—	—	—	—	—	—	—								—
retirement and old age pension	562	605	568	593	621	604	603	494	539								568
widow's pension	24	—	34	—	—	—	—	58	—								20
disablement and war disability pension	6	9	—	—	—	—	—	—	—								5
invalidity pension and allowance	5	11	—	—	—	—	—	—	—								4
unemployment benefit	1	—	—	—	—	—	—	51	—								1
sickness and industrial injury benefit	1	—	—	—	—	4	—	—	—								1
family income supplement	—	—	—	—	—	—	—	—	—								—
supplementary benefit	158	11	10	—	—	10	—	—	—								118
maternity benefit	—	—	—	—	—	—	—	—	—								—
death grant	1	3	3	1	1	—	2	3	—								1
redundancy payment	—	—	—	—	—	—	—	—	—								—
other cash benefits	12	—	19	—	—	45	—	—	—								11
Original income and cash benefits	858	1,104	1,318	1,495	1,710	1,959	2,165	2,508	2,925								1,137
Direct taxes:																	
national insurance, employees' contributions	—	—	—	—	—	—	—	—	—								—
income tax and surtax	4	44	93	148	197	257	346	406	522								78
Disposable income	854	1,061	1,225	1,347	1,513	1,702	1,820	2,102	2,403								1,059
Indirect benefits:																	
housing subsidies	108	79	21	58	40	—	13	9	—								89
food subsidies	15	17	16	15	14	16	14	19	14								15
Indirect taxes:																	
local rates	56	61	70	67	80	90	98	106	137								63
on other final goods and services	54	103	96	104	105	119	131	227	231								74
on intermediate products	38	55	61	57	104	58	53	101	91								47
Income after all taxes and transfers	828	938	1,036	1,191	1,279	1,450	1,564	1,696	1,959								978
Direct benefits in kind:																	
education	—	—	—	—	—	—	—	—	—								—
national health service	156	155	155	153	146	163	142	117	159								154
welfare foods	—	—	—	—	—	—	—	—	—								—
Income after all taxes and benefits	984	1,093	1,190	1,343	1,426	1,613	1,706	1,813	2,118								1,132

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income															Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(ii) Retired households																	
2 adults																	
Number of households	*325*	*39*	*64*	*38*	*29*	*26*	*23*	*26*	*15*	*12*	*6*	*10*	*8*	*6*	*4*	*3*	*634*
Original income	132	473	687	898	1,075	1,304	1,612	1,968	2,311	2,740		4,032					890
Direct benefits in cash:																	
family allowance	1	—	—	—	—	—	—	—	—	—		—					—
retirement and old age pension	976	968	937	937	889	805	914	968	656	742		918					930
widow's pension	2	33	8	—	42	—	—	—	—	—		—					6
disablement and war disability pension	26	20	18	4	40	—	13	22	—	—		—					22
invalidity pension and allowance	49	27	42	67	67	140	12	33	71	141		—					53
unemployment benefit	1	—	—	6	20	—	52	—	18	—		—					7
sickness and industrial injury benefit	4	—	2	—	—	—	—	—	—	24		—					3
family income supplement	—	—	—	—	—	—	—	—	—	—		—					—
supplementary benefit	103	46	3	18	15	4	21	—	—	—		—					59
maternity benefit	—	—	—	—	—	—	—	—	—	—		—					—
death grant	—	—	1	—	—	—	—	—	—	—		—					—
redundancy payment	—	—	—	—	—	—	—	—	—	—		—					—
other cash benefits	1	—	17	—	—	—	—	—	—	—		—					2
Original income and cash benefits	1,295	1,568	1,714	1,931	2,148	2,253	2,625	2,991	3,057	3,648		4,950					1,971
Direct taxes:																	
national insurance, employees' contributions	—	3	4	2	−1	3	—	—	—	—		11					2
income tax and surtax	2	18	67	89	105	192	312	392	414	586		1,118					172
Disposable income	1,292	1,548	1,643	1,840	2,044	2,057	2,312	2,600	2,643	3,062		3,821					1,797
Indirect benefits:																	
housing subsidies	166	93	66	64	31	8	40	34	—	—		—					106
food subsidies	23	23	26	29	29	27	25	30	26	25		46					25
Indirect taxes:																	
local rates	61	68	69	70	87	77	87	123	116	113		138					75
on other final goods and services	136	144	146	235	196	276	188	254	323	321		398					185
on intermediate products	64	69	71	86	92	120	92	98	156	116		161					83
Income after all taxes and transfers	1,221	1,382	1,450	1,542	1,729	1,618	2,010	2,188	2,075	2,537		3,170					1,585
Direct benefits in kind:																	
education	2	—	—	—	—	—	—	—	—	—		—					1
national health service	301	307	296	283	290	278	287	286	264	266		284					294
welfare foods	—	—	—	—	—	—	—	—	10	—		—					—
Income after all taxes and benefits	1,524	1,689	1,747	1,825	2,018	1,896	2,297	2,474	2,348	2,803		3,454					1,881

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income															Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642- 8,038 and above	
(iii) Non-retired households																
1 adult																
Number of households	*66*	*31*	*31*	*24*	*22*	*37*	*48*	*60*	*67*	*70*	*52*	*38*	*17*	*10*	*3* *7*	*583*
Original income	109	466	674	911	1,089	1,343	1,578	1,942	2,330	2,857	3,457	4,118	5,065	5,946		2,178
Direct benefits in cash:																
family allowance	—	—	—	—	—	—	—	—	—	—	3	—	—	8		—
retirement and old age pension	98	315	306	260	112	112	94	49	20	20	—	33	—	—		86
widow's pension	131	155	77	100	180	133	138	68	88	—	55	—	—	—		80
disablement and war disability pension	27	—	—	—	—	5	—	8	4	—	—	7	14	—		6
invalidity pension and allowance	102	7	—	—	—	—	—	—	—	—	—	—	—	—		12
unemployment benefit	31	13	12	10	11	4	10	2	5	6	1	1	—	—		8
sickness and industrial injury benefit	19	13	—	—	7	12	2	16	9	5	5	1	4	—		8
family income supplement	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
supplementary benefit	244	—	18	17	2	—	—	17	—	—	10	—	—	—		32
maternity benefit	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
death grant	3	2	—	1	1	2	—	1	2	1	1	1	—	—		1
redundancy payment	—	—	—	—	2	1	1	—	—	—	1	—	—	—		—
other cash benefits	—	—	31	26	35	—	—	—	—	—	—	—	—	—		4
Original income and cash benefits	765	971	1,119	1,326	1,438	1,612	1,824	2,104	2,457	2,889	3,533	4,162	5,084	5,954		2,415
Direct taxes:																
national insurance, employees' contributions	−2	−1	12	20	31	46	58	75	104	136	146	164	192	182		81
income tax and surtax	−12	30	79	137	180	179	285	354	488	637	802	878	1,191	1,569		451
Disposable income	778	941	1,027	1,169	1,227	1,388	1,480	1,675	1,865	2,117	2,586	3,120	3,701	4,203		1,884
Indirect benefits:																
housing subsidies	106	145	126	59	118	67	74	78	62	50	81	26	9	39		75
food subsidies	13	15	15	14	14	14	14	12	12	15	11	13	12	17		13
Indirect taxes:																
local rates	54	67	59	63	74	66	74	67	68	71	89	89	105	131		73
on other final goods and services	100	98	89	72	92	192	154	216	280	242	328	402	368	486		223
on intermediate products	43	54	47	48	53	80	66	83	92	95	115	140	155	173		87
Income after all taxes and transfers	701	882	973	1,058	1,139	1,130	1,275	1,399	1,500	1,774	2,146	2,528	3,094	3,470		1,589
Direct benefits in kind:																
education	198	267	164	—	60	—	1	59	30	—	—	—	—	4		60
national health service	89	101	118	101	86	86	83	79	77	72	73	68	60	64		82
welfare foods	—	—	—	—	—	—	—	—	—	—	—	—	—	—		—
Income after all taxes and benefits	988	1,250	1,255	1,159	1,286	1,216	1,358	1,537	1,607	1,847	2,219	2,596	3,154	3,537		1,731

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(iii) Non-retired households																	
2 adults																	
Number of households	*23*	*15*	*39*	*18*	*19*	*36*	*45*	*82*	*132*	*177*	*199*	*226*	*239*	*151*	*87*	*74*	*1,562*
Original income	136	495	686	890	1,069	1,345	1,616	1,952	2,333	2,833	3,435	4,115	4,973	5,982	7,177	10,987	4,038
Direct benefits in cash:																	
family allowance	—	—	—	—	—	—	—	—	—	—	—	1	—	—	1	—	—
retirement and old age pension	146	810	755	711	425	340	271	273	180	107	67	20	24	26	17	23	119
widow's pension	—	—	15	62	59	63	96	15	40	12	19	21	8	2	—	8	19
disablement and war disability pension	37	45	5	—	—	—	16	12	4	17	3	11	9	2	—	4	8
invalidity pension and allowance	351	17	66	—	23	21	58	14	28	3	5	3	2	4	—	—	15
unemployment benefit	61	50	36	—	40	57	7	10	23	15	8	2	1	2	1	—	10
sickness and industrial injury benefit	32	17	23	29	56	40	55	20	30	20	27	15	13	9	2	8	19
family income supplement	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
supplementary benefit	475	—	21	56	51	47	29	15	18	12	9	—	—	1	—	—	16
maternity benefit	—	—	—	—	8	1	2	—	—	1	1	1	—	—	—	1	1
death grant	—	—	1	2	—	—	1	—	—	—	—	—	—	—	—	1	—
redundancy payment	2	—	1	—	2	—	—	1	1	1	1	1	1	1	—	—	1
other cash benefits	—	—	—	—	—	—	2	—	5	5	—	—	—	—	—	—	1
Original income and cash benefits	1,242	1,435	1,609	1,749	1,732	1,915	2,154	2,312	2,662	3,027	3,575	4,190	5,031	6,030	7,200	11,032	4,247
Direct taxes:																	
national insurance, employees' contributions	−5	−5	3	17	24	39	67	86	99	129	152	189	219	243	268	244	161
income tax and surtax	−1	−3	29	54	95	89	202	242	352	491	622	809	1,002	1,204	1,620	2 839	799
Disposable income	1,248	1,443	1,577	1,679	1,612	1,787	1,885	1,984	2,211	2,408	2,801	3,193	3,809	4,583	5,311	7 948	3,287
Indirect benefits:																	
housing subsidies	141	214	126	48	98	73	117	98	67	64	69	53	38	38	20	4	59
food subsidies	22	21	24	26	25	25	29	26	25	25	27	24	26	25	24	23	25
Indirect taxes:																	
local rates	54	68	66	89	75	80	78	83	74	77	84	84	93	108	124	158	90
on other final goods and services	203	191	210	196	294	283	277	294	349	313	391	421	472	489	596	696	407
on intermediate products	77	84	86	90	107	111	101	113	113	118	135	148	177	192	245	288	152
Income after all taxes and transfers	1,076	1,334	1,365	1,378	1,259	1,410	1,575	1,618	1,767	1,990	2,287	2,618	3,131	3,856	4,391	6,832	2,722
Direct benefits in kind:																	
education	229	—	—	—	89	56	17	123	35	22	2	12	21	13	15	28	27
national health service	166	264	255	242	233	198	203	190	187	177	169	153	143	137	136	155	167
welfare foods	—	—	—	—	—	—	—	1	—	—	—	—	—	1	—	—	—
Income after all taxes and benefits	1,471	1,599	1,620	1,620	1,581	1,665	1,795	1,930	1,989	2,188	2,459	2,783	3,295	4,007	4,543	7,015	2,916

Average incomes, taxes and benefits—1975

By household composition

TABLE 1 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	557-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490-	6,642-	8,038 and above	
(iii) Non-retired households																	
3 adults																	
Number of households	*3*	*1*	*3*	*3*	*4*	*3*	*6*	*10*	*31*	*28*	*59*	*61*	*88*	*92*	*61*	*46*	*499*
Original income								1,935	2,345	2,817	3,479	4,156	5,053	5,997	7,213	10,126	5,121
Direct benefits in cash:																	
family allowance								—	—	—	—	—	—	—	—	—	—
retirement and old age pension								325	580	570	248	162	107	67	21	81	185
widow's pension								16	20	—	14	18	10	13	—	—	11
disablement and war disability pension								61	—	44	10	23	10	21	—	—	19
invalidity pension and allowance								267	77	119	30	21	3	—	—	—	30
unemployment benefit								—	44	12	24	10	14	7	2	—	16
sickness and industrial injury benefit								78	42	42	37	23	14	23	8	11	25
family income supplement								—	—	—	—	—	—	—	—	—	—
supplementary benefit								146	87	31	57	15	10	6	5	—	33
maternity benefit								10	—	—	—	—	—	—	—	—	—
death grant								—	—	—	—	—	1	—	—	2	—
redundancy payment								—	8	—	1	—	1	3	1	—	2
other cash benefits								—	—	—	—	—	10	—	—	—	2
Original income and cash benefits								2,836	3,203	3,634	3,901	4,428	5,233	6,137	7,249	10,221	5,443
Direct taxes:																	
national insurance, employees' contributions								95	112	135	148	188	234	264	306	314	215
income tax and surtax								241	362	504	510	727	921	1,147	1,519	2,649	1,010
Disposable income								2,500	2,729	2,995	3,243	3,513	4,079	4,726	5,424	7,258	4,218
Indirect benefits:																	
housing subsidies								102	127	62	123	76	91	95	55	48	94
food subsidies								33	36	40	37	36	39	38	36	39	37
Indirect taxes:																	
local rates								65	82	76	98	85	91	103	113	139	98
on other final goods and services								234	422	401	466	483	622	739	781	887	608
on intermediate products								114	150	150	169	166	204	258	275	352	216
Income after all taxes and transfers								2,222	2,238	2,471	2,670	2,891	3,291	3,759	4,347	5,967	3,428
Direct benefits in kind:																	
education								—	151	181	196	116	106	86	122	121	145
national health service								332	290	307	249	237	231	223	210	214	240
welfare foods								—	6	—	1	3	—	—	1	—	1
Income after all taxes and benefits								2,554	2,685	2,959	3,116	3,246	3,628	4,069	4,681	6,303	3,813

Quantile shares of income by household type—1975

TABLE 2

	Percentage share of total income in groups of 5 per cent of households																			
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th	19th	20th	Total
1 adult																					
Pensioner	22·9	17·3	14·9	12·6	10·1	8·4	6·2	4·0	2·4	1·0	0·3	—	—	—	—	—	—	—	—	—	100·0
Original income	7·3	6·2	5·9	5·7	5·6	5·5	5·3	5·2	5·1	5·0	4·9	4·8	4·7	4·6	4·4	4·3	4·2	4·0	3·8	3·4	100·0
Disposable income	7·6	6·7	6·2	5·9	5·7	5·6	5·4	5·3	5·1	5·0	4·8	4·7	4·6	4·5	4·3	4·2	4·0	3·8	3·6	2·9	100·0
Income after all taxes and benefits																					
Non-pensioner retired	26·2	12·9	9·5	7·4	6·3	5·5	4·7	4·0	3·6	3·1	2·7	2·5	2·2	1·9	1·8	1·6	1·5	1·3	1·1	0·4	100·0
Original income	14·4	8·9	7·3	6·4	5·8	5·4	5·0	4·7	4·4	4·2	4·0	3·8	3·7	3·6	3·4	3·3	3·2	3·1	2·9	2·4	100·0
Disposable income	13·3	8·1	6·8	6·2	5·8	5·5	5·2	4·9	4·7	4·5	4·3	4·1	4·0	3·8	3·7	3·6	3·4	3·2	3·0	1·9	100·0
Income after all taxes and benefits																					
Non-pensioner, non-retired	16·5	10·2	8·8	7·9	7·1	6·6	6·0	5·5	5·1	4·7	4·3	3·8	3·4	3·0	2·4	1·9	1·4	1·0	0·4	—	100·0
Original income	14·5	9·0	7·7	6·9	6·3	5·8	5·5	5·1	4·8	4·6	4·3	4·0	3·8	3·5	3·2	2·9	2·7	2·4	2·0	1·1	100·0
Disposable income	13·9	8·7	7·5	6·8	6·2	5·7	5·3	5·0	4·8	4·6	4·3	4·1	3·8	3·6	3·4	3·1	2·8	2·6	2·2	1·5	100·0
Income after all taxes and benefits																					
2 adults																					
Pensioner	16·9	12·0	10·5	9·4	8·5	7·6	6·8	6·1	5·5	4·7	4·0	3·2	2·5	1·5	0·6	—	—	—	—	—	100·0
Original income	7·9	6·5	5·9	5·6	5·4	5·3	5·1	5·0	5·0	4·9	4·8	4·7	4·6	4·5	4·4	4·3	4·2	4·1	4·0	3·5	100·0
Disposable income	7·7	6·6	6·2	6·0	5·7	5·5	5·3	5·2	5·0	4·9	4·8	4·7	4·6	4·5	4·4	4·3	4·1	3·9	3·5	3·0	100·0
Income after all taxes and benefits																					
Non-pensioner, retired	23·7	13·2	9·1	7·2	6·4	5·6	4·8	4·2	3·7	3·3	3·0	2·8	2·6	2·3	2·1	1·9	1·6	1·3	1·1	0·1	100·0
Original income	13·1	8·9	7·2	6·3	5·8	5·5	5·1	4·7	4·6	4·4	4·2	4·0	3·9	3·8	3·6	3·4	3·3	3·1	2·9	2·3	100·0
Disposable income	12·0	8·2	7·0	6·1	5·7	5·4	5·1	4·9	4·7	4·5	4·3	4·2	4·1	3·9	3·8	3·7	3·6	3·4	3·2	2·4	100·0
Income after all taxes and benefits																					
Non-pensioner, non-retired	13·4	8·9	7·8	7·1	6·6	6·2	5·8	5·5	5·1	4·8	4·5	4·2	3·8	3·6	3·3	2·9	2·6	2·2	1·5	0·6	100·0
Original income	12·1	8·3	7·2	6·7	6·2	5·8	5·5	5·2	4·9	4·7	4·4	4·2	4·0	3·8	3·5	3·3	3·1	2·8	2·4	1·9	100·0
Disposable income	12·3	8·3	7·3	6·6	6·1	5·7	5·4	5·1	4·9	4·6	4·4	4·2	4·0	3·8	3·6	3·4	3·1	2·9	2·5	1·7	100·0
Income after all taxes and benefits																					

Quantile shares of income by household type—1975

TABLE 2 (*continued*)

	Percentage share of total income in groups of 5 per cent of households																			
	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th	15th	16th	17th	18th	19th	20th	Total
2 adults, 1 child																					
Original income	12·4	8·4	7·1	6·6	6·2	5·8	5·4	5·2	4·9	4·6	4·5	4·3	4·1	3·9	3·8	3·6	3·2	2·8	2·3	1·1	100·0
Disposable income	12·0	7·9	6·8	6·3	6·0	5·6	5·3	5·1	4·9	4·7	4·5	4·3	4·1	3·9	3·8	3·6	3·4	3·2	2·8	1·9	100·0
Income after all taxes and benefits	11·4	7·7	6·9	6·3	6·0	5·7	5·4	5·2	5·0	4·8	4·6	4·4	4·2	4·0	3·8	3·6	3·3	3·1	2·8	1·9	100·0
2 adults, 2 children																					
Original income	11·8	8·1	6·9	6·4	6·1	5·8	5·5	5·3	5·1	4·8	4·6	4·4	4·2	4·0	3·8	3·5	3·3	2·9	2·4	1·3	100·0
Disposable income	10·6	7·6	6·7	6·3	6·0	5·7	5·5	5·2	5·0	4·8	4·6	4·4	4·2	4·1	3·9	3·7	3·5	3·3	2·9	2·2	100·0
Income after all taxes and benefits	10·0	7·4	6·6	6·2	5·9	5·7	5·5	5·3	5·1	4·9	4·7	4·5	4·3	4·1	4·0	3·8	3·5	3·3	3·0	2·3	100·0
2 adults, 3 children																					
Original income	14·7	8·2	7·0	6·4	5·9	5·5	5·2	4·9	4·6	4·5	4·3	4·1	3·9	3·8	3·6	3·4	3·2	2·9	2·5	1·4	100·0
Disposable income	12·1	8·3	7·0	6·5	6·1	5·7	5·4	5·1	4·8	4·7	4·5	4·3	4·1	4·0	3·8	3·7	3·5	3·2	3·0	0·4	100·0
Income after all taxes and benefits	10·4	7·7	6·8	6·3	5·9	5·7	5·4	5·1	4·9	4·8	4·7	4·5	4·3	4·2	4·1	3·9	3·7	3·5	3·2	0·9	100·0
2 adults, 4 children																					
Original income	12·0	8·1	7·5	7·1	6·4	6·0	5·8	5·4	5·1	4·8	4·6	4·5	4·1	3·7	3·4	3·2	2·9	2·5	2·0	0·8	100·0
Disposable income	10·2	7·7	6·9	6·6	6·2	5·8	5·5	5·3	5·1	4·8	4·5	4·3	4·2	4·1	3·8	3·7	3·5	3·2	2·8	1·7	100·0
Income after all taxes and benefits	9·1	7·3	6·6	6·1	5·9	5·8	5·6	5·4	5·1	5·0	4·8	4·7	4·4	4·2	4·1	3·9	3·7	3·4	3·0	2·1	100·0
All households in the sample																					
Original income	15·5	10·7	9·1	8·1	7·5	6·8	6·3	5·8	5·3	4·9	4·5	4·1	3·5	3·0	2·3	1·4	0·7	0·3	0·1	—	100·0
Disposable income	13·1	9·4	8·2	7·3	6·8	6·3	5·8	5·4	5·1	4·8	4·4	4·1	3·7	3·4	3·0	2·6	2·2	1·8	1·5	1·0	100·0
Income after all taxes and benefits	12·8	9·3	8·1	7·3	6·8	6·3	5·9	5·5	5·1	4·7	4·4	4·1	3·7	3·3	3·0	2·7	2·3	2·0	1·7	1·1	100·0

Average incomes before and after taxes and benefits—1961-1975

TABLE 3

	Average income					Percentage of original income					Percentage of corresponding income in 1961			
	£ per year					Percentages					1961 = 100			
	1961	1965	1969	1974	1975	1961	1965	1969	1974	1975	1965	1969	1974	1975
Retired and non-retired households														
1 adult														
Original income	312	420	510	931	1,123	100	100	100	100	100	135	163	298	360
Disposable income	375	502	618	1,141	1,393	120	120	121	123	124	134	165	304	371
Income after all taxes and benefits	341	439	546	1,105	1,374	109	105	107	119	122	129	160	324	403
2 adults														
Original income	824	1,007	1,351	2,479	3,129	100	100	100	100	100	122	164	301	380
Disposable income	809	988	1,273	2,341	2,857	98	98	94	94	91	122	157	289	353
Income after all taxes and benefits	698	828	1,054	2,106	2,617	85	82	78	85	84	119	151	302	375
2 adults, 1 child														
Original income	1,016	1,281	1,586	3,097	3,880	100	100	100	100	100	126	156	305	382
Disposable income	921	1,148	1,398	2,614	3,176	91	90	88	84	82	125	152	284	345
Income after all taxes and benefits	836	1,032	1,220	2,464	3,041	82	81	77	80	78	123	146	295	364
2 adults, 2 children														
Original income	1,026	1,245	1,762	3,293	4,039	100	100	100	100	100	121	172	321	394
Disposable income	961	1,159	1,582	2,834	3,345	94	93	90	86	83	121	165	295	348
Income after all taxes and benefits	936	1,113	1,473	2,865	3,461	91	89	84	87	86	119	157	306	370
2 adults, 3 children														
Original income	967	1,289	1,705	3,385	4,266	100	100	100	100	100	133	176	350	441
Disposable income	962	1,225	1,618	3,006	3,539	99	95	95	89	83	127	168	312	368
Income after all taxes and benefits	1,008	1,263	1,625	3,297	4,105	104	98	95	97	96	125	161	327	407
2 adults, 4 children														
Original income	1,030	1,219	1,638	3,275	3,594	100	100	100	100	100	118	159	318	349
Disposable income	1,023	1,227	1,650	3,139	3,374	99	101	101	96	94	120	161	307	330
Income after all taxes and benefits	1,123	1,343	1,760	3,705	4,432	109	110	107	113	123	120	157	330	395
3 adults														
Original income	1,282	1,616	2,140	3,914	4,896	100	100	100	100	100	126	167	305	382
Disposable income	1,197	1,475	1,907	3,425	4,132	93	91	89	88	84	123	159	286	345
Income after all taxes and benefits	1,035	1,248	1,609	3,064	3,765	81	77	75	78	77	121	155	296	364
3 adults, 1 child														
Original income	1,457	1,571	2,123	4,216	5,186	100	100	100	100	100	108	146	289	356
Disposable income	1,230	1,453	1,879	3,673	4,316	88	92	89	87	83	114	147	287	337
Income after all taxes and benefits	1,182	1,387	1,743	3,688	4,391	81	88	82	87	85	117	147	312	371
3 adults, 2 children														
Original income	1,289	1,661	2,232	3,844	5,089	100	100	100	100	100	129	173	293	395
Disposable income	1,214	1,565	2,070	3,459	4,430	94	94	93	90	87	129	171	285	365
Income after all taxes and benefits	1,190	1,607	2,014	3,722	4,830	92	97	90	97	95	135	169	313	406
4 adults														
Original income	1,742	2,064	2,789	5,342	6,989	100	100	100	100	100	118	160	307	401
Disposable income	1,558	1,860	2,456	4,625	5,625	89	90	88	87	80	119	158	297	361
Income after all taxes and benefits	1,352	1,625	2,079	4,330	5,107	78	79	75	81	73	120	154	320	378
All households in the sample														
Original income	960	1,172	1,519	2,719	3,386	100	100	100	100	100	122	158	283	353
Disposable income	922	1,121	1,421	2,509	3,016	96	96	94	92	89	122	154	272	327
Income after all taxes and benefits	847	1,019	1,271	2,453	3,000	88	87	84	90	89	120	150	290	354

Distribution of households co-operating in the Family Expenditure Survey—1975

By range of original income

TABLE 4

Number

Range of income £ per year		1 adult		2 adults		3 adults		2 adults				3 adults				
At least	Less than	retired	non-retired	retired	non-retired	retired	non-retired	1 child	2 children	3 children	4 children	1 child	2 children	4 adults	Others	All households
	381	632	66	325	23	9	3	8	8	1	2	2	1	1	70	1,151
381	557	61	31	39	15	4	1	4	—	2	—	—	—	—	10	167
557	816	46	31	64	39	3	3	3	4	1	2	1	—	1	5	203
816	987	22	24	38	18	1	3	1	4	1	—	1	1	—	5	119
987	1,194	21	22	29	19	2	4	4	8	3	3	1	1	1	5	123
1,194	1,446	19	37	26	36	4	3	6	12	—	1	1	2	—	9	156
1,446	1,749	13	48	23	45	3	6	20	14	4	2	3	2	—	18	201
1,749	2,116	12	60	26	82	4	10	22	33	12	8	3	2	—	18	292
2,116	2,561	12	67	15	132	3	31	45	67	20	15	12	6	2	28	455
2,561	3,099	8	70	12	177	—	28	102	113	49	8	14	7	5	24	617
3,099	3,750	5	52	6	199	—	59	135	191	66	23	21	14	7	40	818
3,750	4,537	2	38	10	226	3	61	104	189	56	17	38	24	14	41	823
4,537	5,490	3	17	8	239	2	88	86	164	45	14	57	35	21	49	828
5,490	6,642	—	10	6	151	1	92	35	52	31	6	52	20	25	46	527
6,642	8,038	1	3	4	87	3	61	20	44	7	3	33	15	33	56	370
8,038 and above		2	7	3	74	1	46	23	25	18	3	18	13	50	70	353
All income ranges		859	583	634	1,562	43	499	618	928	316	107	257	143	160	494	7,203

Note: The retired households not shown separately in the tables are distributed as follows:
2 adults, 1 child (2); 2 adults, 2 children (1); 2 adults, 3 children (1); 4 adults (1); others (2).
1 adult and 2 adult retired households in the lowest range of income include 518 and 287 pensioner households respectively; in addition there are 8 pensioner households in other ranges.

Distribution of households co-operating in the Family Expenditure Survey—1975

By range of original income *plus* cash benefits

TABLE 5

Number

Range of income £ per year		1 adult		2 adults		3 adults		2 adults				3 adults				All households
		retired	non-retired	retired	non-retired	retired	non-retired	1 child	2 children	3 children	4 children	1 child	2 children	4 adults	Others	
At least	Less than															
	381	—	8	—	2	—	—	1	—	—	—	—	—	—	2	13
381	557	13	9	1	1	—	—	1	—	—	—	—	—	—	4	29
557	816	237	30	1	2	—	—	—	—	—	—	—	—	—	5	275
816	987	288	33	14	4	—	—	2	—	1	—	—	—	—	9	351
987	1,194	136	43	90	11	—	1	4	5	—	1	1	1	—	20	313
1,194	1,446	63	42	178	19	2	3	4	9	1	1	—	—	—	26	348
1,446	1,749	34	52	106	68	1	4	16	13	3	3	1	—	—	22	323
1,749	2,116	32	71	90	83	6	3	25	32	6	4	5	—	—	21	378
2,116	2,561	19	80	49	123	11	13	47	63	18	7	5	3	—	28	466
2,561	3,099	15	80	40	202	7	19	97	123	47	19	14	11	3	33	710
3,099	3,750	11	54	23	223	4	58	139	186	64	20	20	10	4	32	848
3,750	4,537	3	43	12	257	3	83	111	190	66	23	45	25	14	50	925
4,537	5,490	3	18	8	244	3	101	88	173	48	14	57	38	22	48	865
5,490	6,642	2	10	11	159	1	96	38	62	36	9	54	24	27	58	587
6,642	8,038	—	3	5	90	1	72	20	46	7	2	36	18	34	57	391
8,038 and above	.. .. ..	3	7	6	74	4	46	25	26	19	4	19	13	56	79	381
All income ranges	.. .. ..	859	583	634	1,562	43	499	618	928	316	107	257	143	160	494	7,203

Distribution of households co-operating in the Family Expenditure Survey—1975

By range of disposable income

TABLE 6

Range of income £ per year		Number														
		1 adult		2 adults		3 adults		2 adults				3 adults				
At least	Less than	retired	non-retired	retired	non-retired	retired	non-retired	1 child	2 children	3 children	4 children	1 child	2 children	4 adults	Others	All house-holds
	381	—	8	—	2	—	—	1	—	—	1	—	—	—	3	15
381	557	13	10	1	1	—	—	—	—	—	—	—	—	—	3	28
557	816	241	33	1	3	—	—	1	—	—	—	—	—	—	7	286
816	987	297	45	15	7	—	1	2	2	1	—	—	1	—	8	379
987	1,194	144	60	90	11	—	—	4	7	—	2	1	—	—	20	339
1,194	1,446	60	75	191	34	2	3	8	7	1	—	1	—	—	34	416
1,446	1,749	41	79	109	114	1	7	26	23	6	3	2	—	—	17	428
1,749	2,116	25	95	97	155	7	8	53	58	13	6	3	—	—	33	553
2,116	2,561	16	73	49	228	10	23	118	151	47	18	12	7	2	25	779
2,561	3,099	10	47	34	279	9	59	141	202	71	22	25	15	6	38	958
3,099	3,750	6	28	21	283	4	112	119	207	68	21	52	25	16	49	1,011
3,750	4,537	3	17	8	201	4	111	77	160	49	17	64	47	21	61	840
4,537	5,490	—	3	11	132	1	98	37	63	30	11	56	21	38	65	566
5,490	6,642	2	2	4	60	2	50	10	25	12	2	30	15	39	67	320
6,642	8,038	—	4	2	29	3	20	11	14	8	4	7	8	25	39	174
8,038 and above		1	4	1	23	—	7	10	9	10	—	4	4	13	25	111
All income ranges		859	583	634	1,562	43	499	618	928	316	107	257	143	160	494	7,203

Distribution of households co-operating in the Family Expenditure Survey—1975

By range of income after all taxes and transfers

TABLE 7

Number

Range of income £ per year		1 adult		2 adults		3 adults		2 adults				3 adults				All households
At least	Less than	retired	non-retired	retired	non-retired	retired	non-retired	1 child	2 children	3 children	4 children	1 child	2 children	4 adults	Others	
	381	8	6	2	3	—	—	3	2	—	—	—	—	—	5	29
381	557	37	16	2	4	—	1	2	1	—	—	—	—	—	1	64
557	816	294	56	22	22	—	2	5	4	—	1	1	1	—	12	420
816	987	215	61	53	20	—	2	6	7	1	1	3	—	—	12	381
987	1,194	150	69	115	40	1	1	7	7	2	4	4	1	—	23	424
1,194	1,446	75	95	144	92	5	6	40	35	6	2	2	—	—	26	528
1,446	1,749	38	94	135	155	7	8	64	67	22	6	5	3	1	28	633
1,749	2,116	16	64	70	233	8	24	101	150	32	12	11	5	—	32	758
2,116	2,561	9	55	39	277	5	72	136	186	75	19	23	11	12	39	958
2,561	3,099	7	26	22	260	9	106	111	199	68	21	52	39	14	55	989
3,099	3,750	3	18	11	190	2	109	74	152	47	18	62	37	27	61	811
3,750	4,537	3	6	8	137	2	99	33	67	32	13	52	21	31	70	574
4,537	5,490	1	4	6	62	1	42	17	28	11	5	26	12	39	65	319
5,490	6,642	—	1	4	35	1	17	9	14	9	3	12	8	23	40	176
6,642	8,038	—	2	1	14	2	5	4	7	6	1	1	2	8	13	66
8,038 and above		3	10	—	18	—	5	6	2	5	1	3	3	5	12	73
All income ranges		859	583	634	1,562	43	499	618	928	316	107	257	143	160	494	7,203

Distribution of households co-operating in the Family Expenditure Survey—1975

By range of income after all taxes and benefits

TABLE 8

Number

Range of income £ per year		1 adult		2 adults		3 adults		2 adults				3 adults				All households
		retired	non-retired	retired	non-retired	retired	non-retired	1 child	2 children	3 children	4 children	1 child	2 children	4 adults	Others	
At least	Less than															
	381	4	2	1	2	—	—	1	—	—	1	—	—	—	—	11
381	557	7	5	1	2	—	—	—	1	—	—	—	—	—	—	16
557	816	120	43	2	5	—	1	1	1	—	—	—	—	—	3	176
816	987	235	52	8	20	—	1	—	1	—	—	—	—	—	6	323
987	1,194	241	65	37	21	—	1	6	2	—	—	—	—	—	7	380
1,194	1,446	136	94	112	52	1	—	14	4	—	—	2	—	—	14	429
1,446	1,749	64	102	185	129	2	3	26	20	1	—	2	1	1	11	547
1,749	2,116	23	84	138	212	9	9	79	49	2	2	2	—	—	26	635
2,116	2,561	11	56	80	299	7	37	106	121	13	3	5	1	2	24	765
2,561	3,099	9	40	30	293	6	93	135	187	44	8	27	6	11	32	921
3,099	3,750	3	20	20	225	10	130	132	228	84	21	47	21	19	35	995
3,750	4,537	2	8	8	151	2	118	66	195	78	25	77	43	28	63	864
4,537	5,490	2	4	6	75	2	69	26	71	54	31	49	37	41	108	575
5,490	6,642	—	1	5	43	1	23	12	26	19	10	33	19	35	78	305
6,642	8,038	—	2	1	15	2	8	7	17	12	3	7	10	14	59	157
8,038 and above		2	5	—	18	1	6	7	5	9	3	6	5	9	28	104
All income ranges		859	583	634	1,562	43	499	618	928	316	107	257	143	160	494	7,203

CHART 1

Average taxes paid and benefits received by retired and non-retired households in different income ranges - 1975

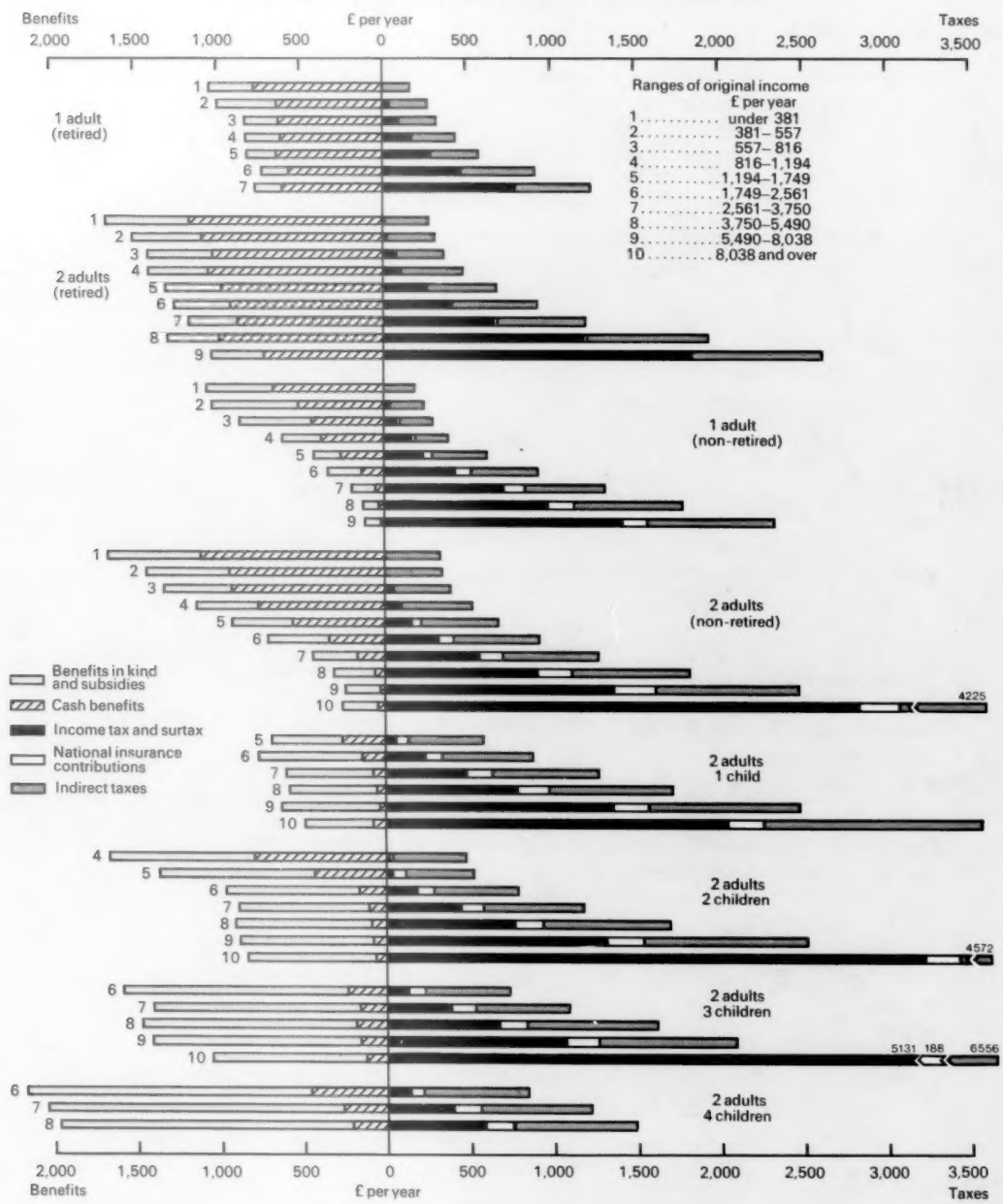
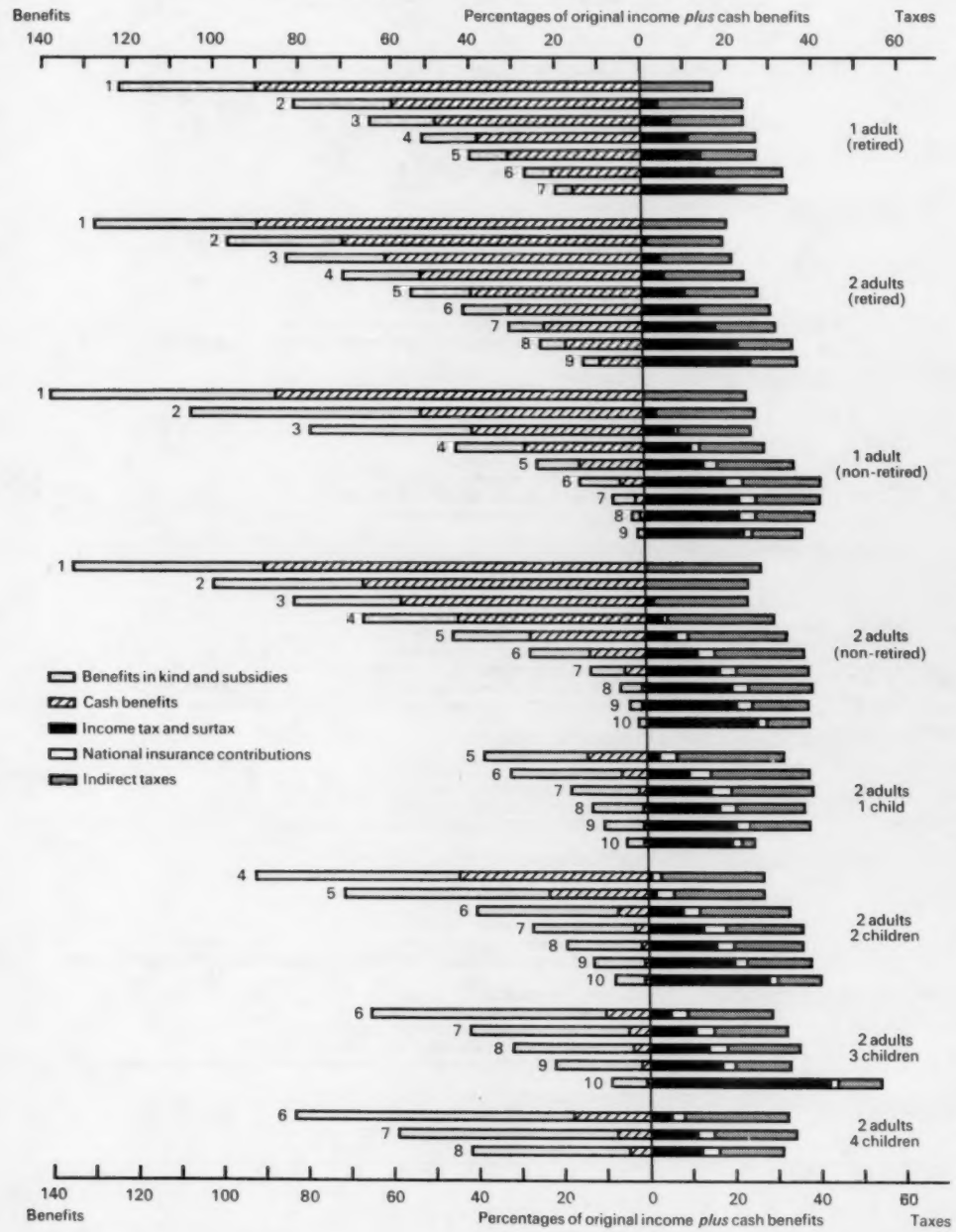


CHART 2

Average taxes paid and benefits received by retired and non-retired households in different income ranges - 1975



Corrigendum: Revised housing subsidies and income after all taxes and benefits—1973

TABLE 9

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490 and above	
(i) Retired and non-retired households																	
All households in the sample																	
Housing subsidies	73	55	49	42	43	39	38	37	35	35	36	31	21	21	20	16	38
Income after all taxes and benefits	822	1,008	1,093	1,121	1,199	1,163	1,296	1,332	1,539	1,722	2,005	2,316	2,673	3,120	3,714	5 441	2,051
1 adult																	
Housing subsidies	70	45	34	26	28	13	26	17	16	22	10	15	—				47
Income after all taxes and benefits	628	826	744	875	816	818	912	1,035	1,204	1,317	1,633	1,920	2,262				909
2 adults																	
Housing subsidies	70	60	54	50	39	29	24	35	30	35	31	6	10	8	4	1	34
Income after all taxes and benefits	973	1,109	1,175	1,235	1,202	1,237	1,325	1,251	1,397	1,536	1,724	1,992	2,369	2,790	3,334	5,596	1,793
2 adults, 1 child																	
Housing subsidies							63	41	27	34	36	28	18	13	9	3	28
Income after all taxes and benefits							1,279	1,350	1,446	1,567	1,899	2,187	2,554	2,969	3,550	6,203	2,122
2 adults, 2 children																	
Housing subsidies							76	68	42	28	33	22	18	5	9	1	27
Income after all taxes and benefits							1,116	1,231	1,586	1,784	2,030	2,339	2,775	3,318	3,493	5,778	2 332
2 adults, 3 children																	
Housing subsidies							54	55	89	42	52	22	25	23	–1	4	38
Income after all taxes and benefits							1,692	1,614	1,930	2,024	2,357	2,643	3,017	3,465	4,206	6,057	2,735
2 adults, 4 children																	
Housing subsidies										86	60	68	44	53			63
Income after all taxes and benefits										2,439	2,608	2,978	3,375	3,548			2,922
3 adults																	
Housing subsidies	95				46	13		29	53	33	40	40	18	32	15	5	32
Income after all taxes and benefits	1,366				1,447	1,410		1,896	1,949	1,949	2,121	2,386	2,576	2,908	3.579	5,005	2,711

Corrigendum: Revised housing subsidies and income after all taxes and benefits—1973

TABLE 9 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561	3,099-	3,750-	4,537-	5,490 and above	
(i) Retired and non-retired households (*continued*)																	
3 adults, 1 child																	
Housing subsidies										21	39	51	57	45	30	15	40
Income after all taxes and benefits										1,988	2,352	2,534	2,982	3,360	3,929	5,416	3,062
3 adults, 2 children																	
Housing subsidies										48	35	92	49	45		8	50
Income after all taxes and benefits										2,304	2,751	2,836	3,331	3,379		6,562	3,283
4 adults																	
Housing subsidies												15	33	24	40	35	33
Income after all taxes and benefits												2,648	2,651	3,360	3,759	4,993	3,628
(ii) Retired households																	
1 adult																	
Housing subsidies	72	48	34	20	23	20	—		—								61
Income after all taxes and benefits	617	792	805	888	989	978	1,130		1,516								724
2 adults																	
Housing subsidies	72	53	27	32	20	24	8		8	—	—	—					52
Income after all taxes and benefits	945	1,111	1,133	1,245	1,268	1,330	1,543		1,837	1,907	2,178	2,298					1,217
(iii) Non-retired households																	
1 adult																	
Housing subsidies	54	39	35	36	30	10	32	19	19	23	11	18	—				25
Income after all taxes and benefits	741	888	683	851	741	745	864	992	1,144	1,293	1,591	1,886	2,093				1,178
2 adults																	
Housing subsidies	57	74	97	72	56	32	30	36	32	38	32	27	10	9	5	2	28
Income after all taxes and benefits	1,143	1,106	1,241	1,224	1,147	1,183	1,265	1,226	1,365	1,509	1,703	1,980	2,364	2,767	3,331	5,617	1,998
3 adults																	
Housing subsidies								31	53	35	39	41	18	32	16	5	31
Income after all taxes and benefits								1,847	1,949	1,957	2,110	2,371	2,571	2,903	3,563	5,008	2,765

Corrigendum: Revised housing subsidies and income after all taxes and benefits—1974

TABLE 9 (*continued*)

	£ per year																
	Range of original income																Average over all income ranges
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490 and above	
(i) Retired and non-retired households																	
All households in the sample																	
Housing subsidies	92	58	32	48	52	51	58	70	70	64	55	53	47	48	40	22	57
Income after all taxes and benefits	990	1,204	1,200	1,211	1,347	1,455	1,476	1,681	1,670	1,873	2,115	2,444	2,808	3,269	3,757	5,630	2,453
1 adult																	
Housing subsidies	75	46	41	53	42	34	41	35	43	35	34	25	9	—	—	—	56
Income after all taxes and benefits	771	906	889	926	1,020	1,061	1,067	1,210	1,228	1,379	1,575	1,936	2,121	2,620	3,048	5,617	1,105
2 adults																	
Housing subsidies	107	56	27	48	44	54	49	57	53	47	56	41	49	47	20	10	54
Income after all taxes and benefits	1,146	1,337	1,315	1,293	1,395	1,486	1,522	1,538	1,472	1,679	1,826	2,111	2,381	2,804	3,342	5,142	2,106
2 adults, 1 child																	
Housing subsidies							110	98	98	93	56	39	25	28	31	17	51
Income after all taxes and benefits							1,711	1,347	1,726	1,755	1,975	2,252	2,581	3,027	3,638	5,940	2,464
2 adults, 2 children																	
Housing subsidies								112	72	63	35	68	36	27	33	—	45
Income after all taxes and benefits								2,123	1,810	1,932	2,196	2,509	2,897	3,356	4,005	5,747	2,865
2 adults, 3 children																	
Housing subsidies	136								112	74	77	90	48	37	36	—	65
Income after all taxes and benefits	1,983								2,054	2,384	2,443	2,872	3,263	3,843	4,122	5,835	3,297
2 adults, 4 children																	
Housing subsidies										168	106	63	69	42	17	18	72
Income after all taxes and benefits										2,804	3,120	3,350	3,618	4,075	4,828	7,147	3,705
3 adults																	
Housing subsidies	59								82	65	91	49	63	59	73	37	61
Income after all taxes and benefits	1,401								1,982	2,281	2,340	2,493	2,611	3,020	3,552	4,983	3,064

Corrigendum: Revised housing subsidies and income after all taxes and benefits—1974

TABLE 9 (*continued*)

£ per year

	Range of original income																Average over all income ranges
	Under 381	381-	461-	557-	674-	816-	987-	1,194-	1,446-	1,749-	2,116-	2,561-	3,099-	3,750-	4,537-	5,490 and above	
(i) Retired and non-retired households (*continued*)																	
3 adults, 1 child																	
Housing subsidies											78	62	76	82	42	12	36
Income after all taxes and benefits											2,518	2,776	3,073	3,572	4,097	5,914	3,688
3 adults, 2 children																	
Housing subsidies												78	86	76	23	2	56
Income after all taxes and benefits												3,321	3,469	3,703	4,513	5,145	3,722
4 adults																	
Housing subsidies													38	88	86	41	56
Income after all taxes and benefits													3,900	3,697	3,700	5,570	4,330
(ii) Retired households																	
1 adult																	
Housing subsidies	78	45	43	74	4	—	25	—									67
Income after all taxes and benefits	749	894	914	1,044	1 031	1,096	1,122	1,485									857
2 adults																	
Housing subsidies	111	63	15	32	48	49	47	—	6	—		—					74
Income after all taxes and benefits	1,161	1,350	1,287	1,293	1,386	1,482	1,591	1,789	1,784	2,017		2,632					1,429
(iii) Non-retired households																	
1 adult																	
Housing subsidies	55		36	35	77	60	45	46	47	39	38	27	9	—	—	—	40
Income after all taxes and benefits	955		842	826	1,010	1,034	1,052	1,120	1,204	1,321	1,530	1,902	2,121	2,532	3,048	5,954	1,452
2 adults																	
Housing subsidies	66		67	73	40	57	51	70	63	55	58	43	51	48	20	10	46
Income after all taxes and benefits	959		1,408	1,292	1,406	1,489	1,459	1,480	1,403	1,623	1,798	2,086	2,364	2,794	3,332	5,151	2,380
3 adults																	
Housing subsidies									87	65	96	50	63	61	74	37	62
Income after all taxes and benefits									1.965	2,281	2,327	2,489	2,613	3,009	3,540	4,983	3,136

Note: The following corrections should be made to the 1974 figures shown in the article which appeared in *Economic Trends* February 1976.
TABLE i—All households, income range £816–1,194, should read 17·2%.
TABLE k—2 adults, 4 children, income range £2,561–3,750 should read £762.
TABLE 1—4 adults, income range £3,099–3,750, invalidity pension should read £43.
TABLE 2—All households, the line 'disposable income' should read 14·1, 9·3, 8·0, 7·3, 6·8, 6·2, 5·8, 5·4, 5·0, 4·7, 4·4, 4·0 3·7, 3·3, 3·0, 2·6, 2·2, 1·8, 1·5, 1·0.

Economic prospects to end-1977

Together with the measures announced by the Chancellor, the Treasury released economic forecasts for 1977 which formed the background to the policy measures announced on December 15th. It is based on information available up to late October, adjusted only for subsequent policy decisions. It fulfils the requirements of Schedule 5 of the Industry Act 1975.

The first column of Table 1 shows the 'main' forecast, which is consistent with the prospects for the current balance, the public sector borrowing requirement (PSBR) and domestic credit expansion referred to in the Chancellor's statement and the Letter of Intent. The second column shows the possible consequences of a better performance by industry in export markets and in competition with imports. The forecasts in both columns assume the continued success of pay policy and the maintenance of the United Kingdom's present competitive position relative to other industrial countries.

As a result of improved competitiveness and restricted domestic demand, the forecast shows a continued shift of resources into exports and import saving and a major revival in manufacturing investment. Stockbuilding is also likely to show a further recovery. But because both personal consumption and public expenditure on goods and services are likely to fall, only a modest growth rate in GDP of around 2 per cent can be expected during 1977.

The forecast shows strongly divergent trends within private sector investment, with the total remaining unchanged despite a very strong recovery in the manufacturing sector. The buoyancy of manufacturing investment is confirmed by survey evidence and should be helped by the additional incentives and by the comparatively favourable prospects for manufacturing output. By comparison with 2 per cent growth in total output (GDP) during 1977 manufacturing output is forecast to rise by about 5½ per cent. The falls in other categories of private investment are largely the consequence of unusually high figures for investment in ships and North Sea oil installations in the second half of 1976. A fall in private sector housing investment is also likely.

Both because of the improvement in export volumes relative to imports and because of the increasing production of North Sea oil, the external current account is likely to be on a strongly improving trend, though the official forecasts show a rather slower improvement than some independent forecasts. A continuing, though declining, deficit is foreseen for 1977 with surplus achieved in 1978.

The pace and scale of the balance of payments improvement depends greatly on the growth of world trade and on the terms of trade, both of which are extremely difficult to forecast.

The forecast increase in retail prices reflects, to a large extent, the effects of the higher import prices which have followed from this year's depreciation of sterling and rise in world commodity prices. By the second half of 1977, a marked slowing down of price increases can be expected. In the fourth quarter of 1977 the increase on a year earlier might be around 15 per cent and the current rate of increase (and hence the prospect for 1978) very substantially below this figure.

Finally, the table shows the forecast for the PSBR in the current and following financial years. These reflect the policy measures taken and the forecast development of the economy as a whole.

A fuller tabulation of output and expenditure volumes is set out in Table 3.

In presenting forecasts it is always necessary to stress the high degree of uncertainty involved. While variants can illustrate some possible alternative outcomes they are not an adequate alternative to more systematic treatment of margins of error. The table and technical note accompanying this forecast illustrate one possible quantitative approach.

TABLE 1

	Main forecast	Variant with stronger trade performance
A. Output and expenditure at constant prices		
per cent changes 2nd half 1976 to 2nd half 1977		
Gross domestic product (at factor cost)	2	3
Consumers' expenditure	— 2	— 2
Public expenditure on goods and services	— 3	— 3
Exports of goods and services	8½	10½
Private fixed investment	—	½
of which Manufacturing investment	*19½*	*20½*
Stockbuilding (as per cent of GDP)	1½	2
Imports of goods and services	1½	½
Manufacturing production	5½	7
B. Balance of payments on current account		
£ billion (current prices)		
1977 1st half	— 1	— 1
2nd half	— ½	0
C. Public sector borrowing requirement		
£ billion (current prices)		
Financial year 1976/77	11	11
Financial year 1977/78	8½	8
D. Retail price index		
per cent change fourth quarter 1976 to fourth quarter 1977	15	15

Margins of error in the forecasts

There are several possible approaches to quantitative treatment of error margins. Given that formal methods are extensively overridden by judgement, perhaps the least controversial is to calculate the margins by reference to the average size of the errors made in past forecasts. Estimates made on this basis are shown in Table 2 overleaf. The basis of calculation is explained in the accompanying technical note.

Average forecasting errors

TABLE 2

	First half year of forecast period	Second half year of forecast period
Constant prices		
Consumers' expenditure (per cent) ..	1·0	1·9
Public authorities' consumption (per cent)	1·5	1·8
Gross fixed investment (per cent) ..	3·7	4·0
Stockbuilding (per cent of GDP) ..	1·1	1·5
Exports of goods and services (per cent)	3·7	4·5
Imports of good and services (per cent)	3·3	4·6
GDP at factor cost (per cent)	1·4	2·1
Current prices		
Current account of balance of payments (per cent of (current price) GDP) ..	1·0	1·7
Retail price index (per cent change on year previously)	0·8	2·7

Technical note; the calculations underlying Table 2

The calculations for the constant price variables are based on forecasts made during the period July 1965 to November 1974. For the current balance and the retail price index they reflect forecasts made between July 1970 and November 1974. This choice of periods reflects the present state of work in progress, though it could be argued that the most recent experience is particularly relevant in the case of the last two variables.

Base period

The calculations were carried out on quarterly forecasts, and the results for successive quarters were combined to produce the half yearly figures tabulated. For all variables except the retail price index the forecast examined is a forecast of the change between a 'base year' and the period concerned. The base year ends some six to nine months before the forecast was made. For example, where quarter 0 is defined as the quarter in which the forecast is completed, the forecasts for the 'second half year' referred to in the right hand column of the table reflect changes between quarters 3 and 4 and a base consisting of the average of quarters –3 to –6: that is changes over a period averaging two years. The errors reflect the difference between forecast and actual changes over this period. For the retail price index, the comparisons are between forecast and actual changes compared with a year previously. Thus, quarters 3 and 4 are compared with quarters –1 and 0.

Forecasts of expenditure, imports and gross domestic product

TABLE 3

£ million at 1970 prices, seasonally adjusted

	Consumers' expenditure	Public expenditure on goods and services: Public authorities consumption	Public expenditure on goods and services: Public investment	Public expenditure on goods and services: Total	Private fixed investment	Exports of goods and services	Stockbuilding[1]	Total final expenditure	*less* Imports of goods and services	*less* Adjustment to factor cost	Gross domestic product at factor cost[1]:	Gross domestic product at factor cost[1]: GDP index 1974=100
1974	35,600	10,350	4,150	14,500	5,950	14,800	400	71,250	14,450	8 900	47,900	100·0
1975	35,400	10,800	4,150	14,950	5,750	14,300	—1,150	69,250	13,550	8,750	46,950	98·0
1976	35,350	11,100	4,200	15,300	5,550	15,100	— 500	70 800	14,400	8 850	47,550	99·3
1977	35,000	11,300	3,800	15,100	5,650	16,350	300	72,400	15,000	8,800	48,600	101·4
1974 1st half ..	17,650	5,150	2,050	7,200	3,000	7,400	0	35,250	7,250	4,400	23,600	98·5
2nd half ..	17,950	5,200	2,100	7,300	2,950	7,400	400	36,000	7,200	4,500	24,300	101·5
1975 1st half ..	17,850	5,300	2,100	7,400	2,850	7,250	— 600	34,750	6,700	4,400	23,650	98·7
2nd half ..	17,550	5,500	2,050	7,550	2,900	7,050	— 550	34,500	6,850	4,350	23,300	97·3
1976 1st half ..	17,650	5,500	2,150	7,650	2,700	7,450	— 350	35,100	7,050	4,400	23,650	98·7
2nd half ..	17,700	5,600	2,050	7,650	2,850	7,650	— 150	35,700	7,350	4,450	23,900	99·8
1977 1st half ..	17,600	5,650	2,000	7,650	2,800	8,050	50	36,150	7,500	4,400	24,250	101·3
2nd half ..	17,400	5,650	1,800	7,450	2,850	8,300	250	36 250	7,500	4,400	24,350	101·6
Percentage changes												
2nd half 1975 to 2nd half 1976 ..	1·0	2	—	1½	—1	8		6½	8	1½	2½	
2nd half 1976 to 2nd half 1977 ..	—2	½	—12½	—3	—	8½		3½	1½	—1	2	
1st half 1976 to 2nd half 1977 (at Annual Rate) ..	—1	1½	—10½	—2	4½	7		4½	4	—½	2	

[1] All figures in Table 3 are based on 'compromise' estimates of gross domestic product. Discrepancies between compromise and expenditure estimates have been added to stockbuilding.

Note: Figures in £ million are rounded to £50 million. Percentage changes are calculated from unrounded levels in £ million and then rounded to ½ per cent. The GDP index in the final column is calculated from unrounded numbers.

Calculation of percentages

For all constant price expenditure variables except stockbuilding, the errors are calculated as a percentage of the value of the variable concerned in the base period. For stockbuilding, errors are shown as a percentage of constant price (GPD) in the base period. For the current balance percentages of current price GDP are shown. The averages shown are the arithmetic mean of absolute percentage errors (that is taken regardless of sign).

Outturns are based on the most recent national income statistics available when the calculations were made. The GDP figures are the average of income, expenditure and output estimates. Discrepancies between average and expenditure estimates have been added to stockbuilding.

Policy adjustments

Forecasts are based on *assumptions* (not themselves part of the forecast) about Government policies: these are normally of 'no change'. Since policies may, in fact, be changed partly as a result of the forecast itself, a forecast should ideally be judged by reference to what would have happened if the original policy assumptions had been fulfilled. But any attempt to make such comparisons involves debatable assumptions – for example, that the economic model underlying the forecasts is valid. On balance, it is preferable to err on the side of minimum adjustment. The figures here are adjusted for major changes in fiscal policy (essentially Budgets and major public expenditure initiatives) and hire purchase credit controls, but not for other departures from the original assumptions.

H M Treasury

Round-up: what's new in economic statistics

Department of Employment Gazette

The main article of the December *Department of Employment Gazette*, contains estimates on the numbers of unemployed people who do not register as such. These estimates have been compiled from information based on the Censuses of Population in 1966 and 1971, and from the continuous General Household Survey.

In addition there are two articles relating to the Equal Pay Act and the Sex Discrimination Act. The first, which is an independant view of the research team from the London School of Economics, looks at the implementation of the Equal Pay Act in 25 different companies. The second article provides the first statistical information relating to industrial tribunal cases under both Acts, in the first 6 months of 1976.

Other articles in the *Gazette* cover estimates of the numbers of employers and self-employed people between 1961 and 1974; and an account of re-settlement trials for people with chronic unemployment problems carried out by the Employment Service Agency between 1973 and 1976.

Employment statistics

Owing to the continuing dispute by some staff in the Department of Employment Group, some of the monthly statistics published in the DE *Gazette* and other publications will not appear.

Work of the Economic Intelligence Department

An article in the *Bank of England Bulletin* for December describes the organisation, work, and development of the Bank's Economic Intelligence Department.

National Institute Economic Review

Articles published in the November issue of the *Review* deal with the accuracy of the Institute's forecasts of incomes, inflation and employment from 1965 to 1975, labour costs in OECD countries and European energy prospects.

New publications

'Research and development: expenditure and employment,' *Studies in Official Statistics No. 27* (HMSO December 1976) (Price £2).

This publication gives a detailed analysis of Government research and development (R and D) expenditure by socio-economic objective, and also contains estimates of resources devoted to R and D in the natural and social sciences and engineering.

Price index numbers for current cost accounting (HMSO December 1976) (Price £2·70).

This booklet is the third in the series following recommendations by the Sandilands Committee that the Government Statistical Service should publish suitable price indices for use in current cost accounting.

The booklet presents all the industry-specific price indices for fixed assets and stocks, and all the asset-specific price indices which are available at present. New in this edition are the construction index and tables giving asset-specific indices for plant and machinery.

An article in *Trade and Industry*, 3 December 1976, provides a non-technical introduction to current cost accounting.

Economic Trends Annual Supplement 1976 No. 2 (HMSO December 1976) (Price £1·45).

The Annual Supplement brings together long runs of quarterly and annual data for the key series of economic statistics; some 300 series are included, rebased to give continuous runs as far back as possible in the post-war period.

There is also a new section covering main economic events between January 1974 and June 1976. This replaces the 'Calendar of economic events' article previously published annually in *Economic Trends*.

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdon balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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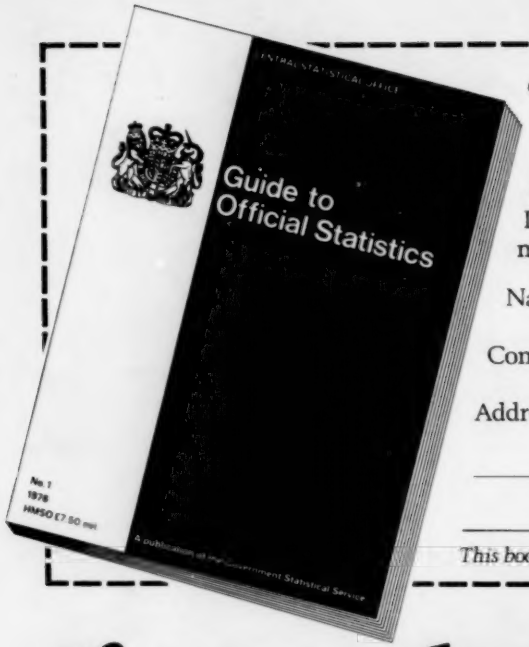

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